CHUCK E. CHEESE'S

CAST MEMBER

HANDBOOK

THIS HANDBOOK IS NOT A CONTRACT
EITHER EXPRESSED OR IMPLIED

JANUARY
2013

MEET THE BAND

MR. MUNCH

PASQUALLY

JASPER T. JOWLES

HELEN

Our Commitment:

EVERY GUEST LEAVES HAPPY

CHUCK E.

"EVERY GUEST LEAVES HAPPY"

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"WHERE A KID CAN BE A KID"

Company Mission

We are dedicated to ensuring that Chuck E. Cheese's, ("CEC") is not only the number one brand in its segment, but as well is the undeniable leader in the multi-unit family entertainment and restaurant category.

Corporate Culture

We recognize that first, and foremost, we are an operating company totally committed in achieving our operating mission: EVERY GUEST LEAVES HAPPY!

We pride ourselves and dedicate our efforts to always have the BEST PRODUCT in the marketplace, operated and supported by the BEST PEOPLE in the industry.

We are focused with an uncompromising approach to EXCELLENT ACHIEVEMENT of our goals and objectives.

Our management style is to provide crystal clear DIRECTION, SUPPORT our people, foster AUTONOMY, and promote two-way ACCOUNTABILITY.

Our primary measure of performance is SALES: while recognizing our obligation to produce an excellent return on capital and maximize SHAREHOLDER VALUE.

Our business will be characterized by QUALITY entertainment and food service, FUN activities, while giving EXCEPTIONAL VALUE and satisfaction to our Guests.

Core Values

The core values of our organization shape our culture, define our character, and guide our conduct.

- We believe in the inherent worth of the individual.
- Our greatest asset is our people.
- We demand of ourselves, and others we deal with, the highest level of integrity.
- Teamwork is essential. Working together doesn't only bring out the best in all of us; it brings out the best in each of us.
- Life is short. Have fun playing on a GREAT TEAM!

WELCOME

To the Chuck E. Cheese's Team!

We are happy to have you working with us! We truly believe our greatest strength is our people, and we are glad to be able to make you a part of the team.

This Handbook was prepared to help you understand what to expect from Chuck E. Cheese's and what Chuck E. Cheese's expects from you in return. To get you off to a good start, I wanted to take a moment to explain our Core Values and what they mean to me.

We value a work environment where diversity is embraced, where people are promoted on their merits, and where people treat each other with mutual respect and dignity. We are committed to being a company where the best people want to work, where opportunities to develop are widely available, and where employees are encouraged to fulfill their professional and personal goals.

Our **Core Value Statement** summarizes some very key points:

- We believe in the inherent worth of the individual.
  - Everyone counts – support one another.
  - Value and respect the uniqueness of individuals and the varied perspectives and talents they provide.
- Our greatest asset is our people.
  - Attract & retain diverse talented and dedicated employees.
  - Strive to create a more inclusive work environment that draws on and develops the best talent.
- We demand of ourselves, and others we deal with, the highest level of integrity.
  - Treat people respectfully, honestly and fairly.
  - Personal commitment to acting with integrity and accountability. Do what we say we'll do, and in every circumstance, do the right thing.
- Teamwork is essential. Working together doesn't only bring out the best in all of us, it brings out the best in each of us.
  - Being the best requires working together – across time zones, languages and borders.
  - Actively embrace a diversity of people, ideas, talents and experiences so that together we can achieve our full potential.
- Life is short. Have fun playing on a GREAT TEAM!
  - This can only happen where people respect, value and support one another.
  - Everyone has the ability to excel based on their performance. Winning is fun!

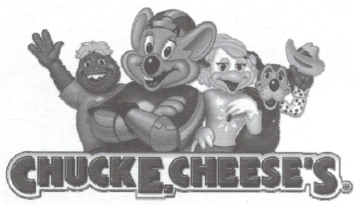
Our overriding goal is to continue to build a company that is healthy and vibrant, treats people with respect, and creates opportunity at every level. We are committed to excellence in everything we do, and we strive to continually improve. We are a high-performing company and are passionate about achieving results that exceed expectations – our own and those of others.

We are committed to open, honest communications and depend on our people to advise us if anything gets in their way of performing at 100%, or if events occur that are not aligned with our Core Values.

Thanks for making the decision to join our great team! Welcome!

MIKE

Mike Magusiak
President & CEO



WELCOME

Introduction

This Handbook is an employee guide, and it has been written to provide you with information concerning certain benefits, policies, and guidelines. This Handbook is not a contract and is not intended to create any contractual obligations on your part or on the part of the Company. Nothing contained in the Handbook may be construed to imply a guarantee of employment for any specific period of time.

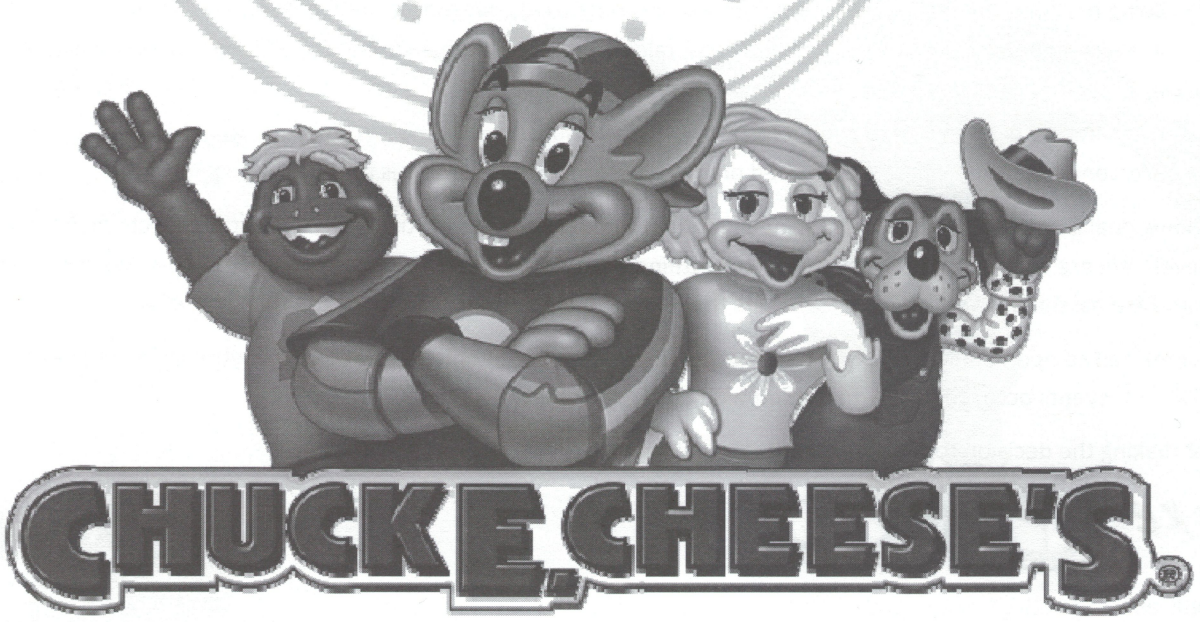
This Handbook applies to all "Cast Member" employees. Cast Members are defined as Assistant Technicians, Opening Coordinators, Team2 Trainers, Birthday Hosts/Hostesses, and Food & Beverage Laborers or any other hourly restaurant employees who are not "Restaurant Operations Managers" (Managers). Any reference in this Handbook to "Employee(s)" shall mean Cast Member(s).

CEC is headquartered in Texas, but employs Cast Members across the country. This Handbook is designed to comply with all applicable federal, state, and local laws and regulations. To the extent any policy or statement in this Handbook conflicts with any applicable federal, state, or local law or regulation, the applicable law or legislation will prevail.

This Handbook replaces all earlier CEC handbooks, and takes precedence over all earlier memoranda and oral descriptions of CEC's personnel policies, practices, and procedures that deal with the subject matter contained in this Handbook. To avoid confusion, please discard and recycle any old manuals and handbooks that you may have.

Keep in mind that the benefits, policies, and guidelines contained in this Handbook are subject to change at any time without notice. You are expected to remain aware of policy updates through a review of bulletin boards, corporate memos, newsletters, and the CEC intranet (BBS).

If you have any questions or concerns regarding this handbook, you may contact the Support Center by calling 1-800-224-8257.



MAKING MAGIC AT CEC

Chuck E. Cheese's Vision

CEC will give the greatest service anywhere by empowering you to use your best judgment to create raving fans – with pride, care, fun and creativity.

Service & Hospitality

CEC's goal is to exceed the Guests' expectations when they visit any of our restaurants. To do this, we must offer "the best" in both service and hospitality. This creates the "Magic", and without "Magic," we are just another pizza place. Contrary to popular belief, service and hospitality are not the same thing.

SERVICE

This is a system or series of procedures that the Guests encounter on their visit to a restaurant. A vending machine is the best example of a pure service system – the Guests put in change, make a selection, and receive a product ... but there is no human contact.

HOSPITALITY

Providing great hospitality to our Guests is our #1 priority and this is where you play a big role! Hospitality is the quality of receiving and treating Guests in a warm, friendly, and generous way. Your smile, your professional appearance, your sincerity, your sense of humor, and your willingness to go "above and beyond" in providing excellence to our Guests are what set us apart from the competition.

GUEST OBSESSION

We are obsessed with creating happy and satisfied Guests. To do this, it is important for us to understand our Guests.

- Guests want to be treated with respect; acknowledge their presence.
- Guests like enthusiastic service; smiles are still in vogue.
- Guests expect us to know our job.
- Guests want Cast Members with authority.
- Guests are not numbers; they have names.
- Guests want problems handled quickly, efficiently, and with proper remorse.
- Guests want the whole organization brought to them.
- Guests expect to get what was agreed upon.
- Guests think competition is just fine.
- Guests can spot lack of interest in a second.
- Guests can't be fooled.
- Guest loyalty is earned.
- Guests expect it right the first time.
- Guests know it's the detail that counts.
- Guests don't complain; they just don't come back.
- Guests don't know Company jargon.

WHAT GUESTS DON'T LIKE

- Not being greeted promptly at the door.
- Rude or indifferent treatment.
- Receiving the wrong change.
- Receiving the wrong order.
- Dirty or improperly bussed tables.
- Long waits.
- Being interrupted.
- Not given utensils with orders.
- Being told "That's not my station" or a simple "Here's your Pizza!"

MAKING MAGIC AT CEC

Service & Hospitality (continued)

GUEST SATISFACTION

Every company tries to achieve Guest satisfaction, and relatively few succeed. We think the reason we meet our service goals is that we have no "customers". Our philosophy is that every person who visits us isn't just a customer, but a Guest – someone whom we're glad to see and want to make happy.

The good times that our Guests enjoy at our restaurants are nothing more than a by-product of being treated as if they were part of our family. Since families are at the core of our target audience, our job is to make the families that visit us part of our larger CEC family.

To communicate our message to our Guests, we've continued to utilize an aggressive television-based marketing campaign. The description of our locations as a place "Where A Kid Can Be A Kid" is at the heart of our marketing efforts. It describes the heart of our concept – wholesome, exciting family entertainment and food. We also continually interview our target audience through focus group analyses to accurately measure what our Guests are thinking and feeling about their experiences with us.

Every Guest Leaves Happy

Our service mission "Every Guest Leaves Happy" has become more than just a slogan. It represents the sincere desire of each member of our team to make each Guest's experience with us a happy one. We're not just in the food and entertainment business, we are in the happiness business.

We're so firmly committed to accomplishing our service mission that we've analyzed the true meaning of each component.

"**EVERY**" - Not most or a few of our Guests should have a great experience, but each individual who visits us. Our team is committed to achieving 100% happiness of each Guest - whatever it takes.

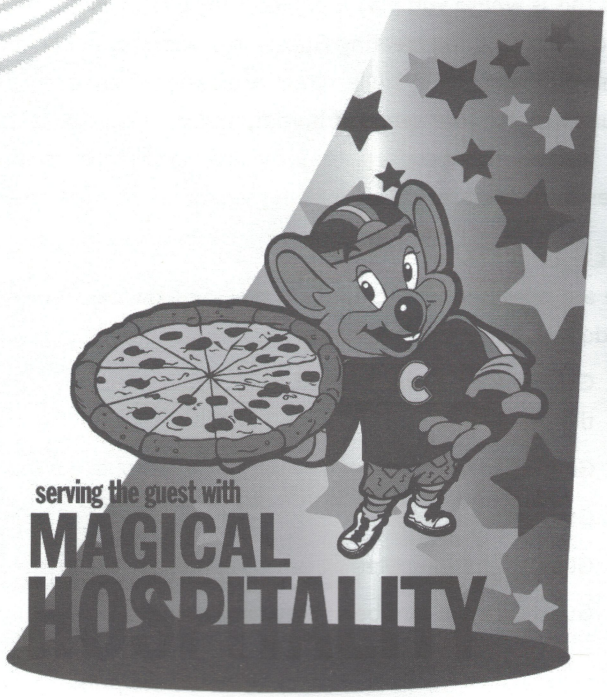
"**GUEST**" – Guests are invited and welcomed, just as in one's home. They're the constant focus of our entire team and they deserve to have great food and fun while they're with us.

"**LEAVES HAPPY**" – We're not just after "customer satisfaction, " we want our Guests to be excited about their visit to our locations. We want them to be anticipating another visit to us as soon as possible.

Pleasing & Fun Facilities

Even the best Cast Members can't overcome surroundings that aren't attractive, clean, and fun to spend time in. That is why we continuously focus on our Operational Cornerstones and upgrade and remodel our restaurants. But we'll really never finish improving our restaurants because you and our Guests deserve the cleanest and brightest place to be.

In addition to the restaurants that are remodelled, we open new CEC restaurants every year all across the U.S., Canada, and even internationally.



MAKING MAGIC AT CEC

Entertainment

When you're in the hospitality business, you're in the entertainment business. This is why we offer a variety of entertainment.

Interactions With Guests - Our people strive to be the friends and entertainers of our Guests. They are a team dedicated to making each Guest feel welcomed and pleased to be with us. Each of our team members is trained and coached to be not only an "employee" but to be part of the entertainment package. After all, we're the place "Where A Kid Can Be A Kid". We offer our younger Guests warm greetings and pleasant surprises during their visits. We gauge our success by the most obvious measurement - their smiles and laughter.

Robotic Animation and Live Show - The members of our team are only the beginning of our entertainment package. Our unique robotic animation stage show has been improved to provide a new level of entertainment and excitement to our young Guests. A "live" Chuck E. Cheese show has also been added to offer our Guests an opportunity to see their talented friend sing and dance before their eyes. Chuck E. Cheese has been and will continue to be the star of our show.

Games and Rides - Entertainment at our restaurants also means exciting games and rides. We search the world for the latest developments in rides and skill games that will challenge and delight kids of all ages. It is important for kids to "win" and our skill games provide our young friends with fun as well as a challenging opportunity to test their skill talents.

Great Food / Great Service - CEC continually strives to offer great food and service. Our menu has been broadened and is more attractive to family members of all ages. We provide Guests our quality menu items quickly and efficiently served to their table. When Guests are made to feel important - given fast and friendly service, they buy more and come back to visit more often.

We are to serve great food and provide great service to our Guests. If we fall short in either area, we must do our best to take care of it and inform the Manager on Duty. Give Guests what they expect; give Guests something unique and distinctive.

Kid Check

Kid Check is a very important system designed to assist parents with the goal "everyone who comes together leaves together." Every family should be stamped with the same number (in really cool invisible ink), so we can match them up when they leave. This way, we can help parents play with their kids freely in a safe, wholesome environment.

CEC Donations / Charitable Causes

CEC recognizes the importance of charitable non-profit organizations and dedicates a portion of its budget each year to support requests for donations. CEC receives hundreds of requests each week from reputable organizations serving important and worthy causes; however, it is impossible to support all requests. Therefore, CEC has chosen to focus its support to serve needy, abused, and seriously ill children through organizations such as Make a Wish, Children's Miracle Network, Ronald McDonald House, Wish Upon a Hero, etc.

Requests for Company support and donations must be submitted to the Support Center to the attention of the Executive Administrator of the President/CEO. Due to the large number of ongoing requests, we ask that you only forward requests that serve the needs of children.

CEC also offers elementary schools and other non-profit organizations the opportunity to participate in fundraisers. Further information about fundraising opportunities can be found at www.chuckecheese.com or by contacting the Marketing Department. Since 2004, CEC has given back more than $6 million in support of education and charitable organizations through its fundraising programs.

EMPLOYMENT

At-Will Employment

All employees of CEC are employed "At-Will," and the Company reserves the right to discharge or terminate employees at any time, for any reason, or for no reason at all, provided the reason does not violate any law. Likewise, employees have the legal right to terminate their employment at any time, for any reason, or for no reason at all. CEC further reserves the right to change the compensation, duties, assignments, responsibilities, or location of an employee's job at any time, at its discretion, with or without cause. These rights may be modified only in writing signed by CEC's President and CEO.

Employment Eligibility

In order to comply with the Immigration Reform and Control Act of 1986 and various state laws and regulations, CEC will verify your employment eligibility and identity if you are hired to work in the United States after November 7, 1986. CEC will employ you only if you are legally entitled to work in the United States. CEC will not discriminate against you because of your race, color, ancestry, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status, or any protected class under federal, state and/or local laws, or engage in any unfair immigration relation employment practice.

If you are NOT an employee in California, Connecticut, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, or Washington D.C., at the time you apply you will receive the "Recipe for Success" handout. Your offer of employment is dependent upon you being able to provide the documentation described on the List of Acceptable Documents to CEC establishing your identity and employment authorization as required by law.

If you ARE an employee in California, Connecticut, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, or Washington D.C., you will be required to complete the employee portion of the Form I-9 (Section 1), but will not be allowed to attend or participate in orientation and will not be allowed to begin working until acceptable documentation has been provided to CEC Management. You will be paid for minimum required reporting time or wages each time you are required to report to and appear at the location, as required by law. Required documentation regarding your identity and employment authorization must be provided within three (3) business days of your original orientation date. If the documentation is NOT provided within the three (3) business days, you will be terminated and paid any required reporting time or wages, if required by law.

At any time you become aware of the employment of unauthorized workers, you should contact Human Resources utilizing the toll-free line at 1-800-224-8257.

EMPLOYMENT

Code of Business Conduct & Ethics

At CEC, we are committed to establishing and maintaining high ethical principles and standards. To that end, we have developed what we refer to as the "Code of Business Conduct and Ethics" ("the Code"). The principles contained in the "Code" govern our conduct everyday at CEC. You can view a full copy of the "Code" at any time online at www.chuckecheese.com.

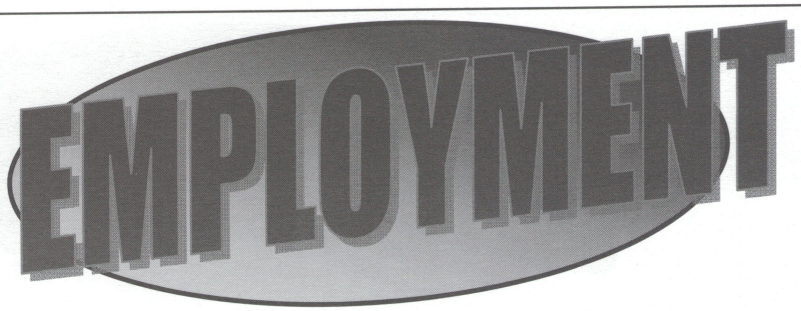
The list below is intended to give you a broad overview of some of the types of duties and responsibilities that are covered in more detail by the "Code"; however, the information contained in this list does not include all of such information and is not meant to replace or limit your obligation to adhere to all such Company directives.

It is **your responsibility** to, among other things:

- Comply with all applicable laws and regulations, provisions of the "Code", and related CEC policies and procedures.
- Ask for guidance when faced with a situation in which you are not sure of what action you should take.
- Avoid sharing or using CEC's non-public information for stock trading purposes or for any other purpose other than to conduct our business.
- Follow all occupational health and safety laws, including our own safety policies governing CEC's business.
- Refrain from working under the influence of any substance that would impair your safety or the safety of others.
- Refrain from all threats or acts of physical violence or intimidation.
- Immediately report any accident, injury, or unsafe equipment, practices, or conditions to your General Manager or the Manager on Duty.
- Refrain from engaging in any outside activity that causes competition with CEC or provides assistance to competitors or other parties (such as suppliers) with whom we regularly do business.
- Refrain from conducting outside work on CEC time and do not use CEC's supplies or equipment for outside work.
- Refuse gifts, entertainment, gratuities or other items of value that could influence or be perceived to influence business decisions.
- Protect CEC's property from loss, theft, misuse and waste. If you become aware of such events, you should speak with your General Manager, District Manager, or Human Resources.
- Protect all confidential and proprietary information belonging to CEC or other employees.
- Avoid any speech or conduct that is intended to, or has the effect of discriminating against or harassing any applicant for employment, employee, supplier, vendor or Guest because of, including but not limited to, his or her race, color, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status or being a member of any protected class under federal, state and local law.
- Report any violations of the law, the "Code", and/or CEC policies to your General Manager, the Legal or Human Resources Departments or the Chief Compliance Officer.

Failure to follow the provisions of the "Code", CEC policies, the Employee Handbook, or failure to report violations of the "Code" and policies, may have serious legal consequences and could result in disciplinary action up to and including termination of employment.

CEC is a professional, responsible, and law-abiding business entity. It devotes considerable time and expense to conducting its business and maintaining its reputation in this regard. The behavior of every employee contributes to CEC's image and its reputation. Every employee must avoid any action or conduct that would cause CEC or any of its employees embarrassment, that would create the appearance of impropriety, or that otherwise could cause or contribute to CEC or its employees being held in disrepute by the general public, its Guests, or its employees.



Complaint & Reporting Procedures

CEC is committed to establishing and maintaining high ethical principles and standards, providing a safe and satisfying work environment with equal employment opportunities, and ensuring a work environment free from harassment, discrimination, and illegal, unethical, or immoral behavior. In support of these principles, CEC established the Code as well as a set of Company policies and procedures aligned with our corporate values and all federal, state, and local laws. CEC has established these "Complaint and Reporting Procedures" as a means for employees to report any alleged improper actions or activities contrary to the "Code."

This Policy is not intended to replace any existing reporting procedures in other policies, but rather to supplement those policies in cases in which an employee is unsure of which policy applies.

REPORTING HUMAN RESOURCES ISSUES

You can report an incident of harassment or discrimination, employment verification concerns, or any illegal, immoral, or unethical behavior by contacting the Human Resources toll free hotline at 1-800-224-8257. This also includes any type of inappropriate action, behavior, and/or misconduct on the part of an employee, manager, or other Company representative, vendor, or Guest that is contrary to the Code and/or Company policies and procedures.

Calls will be answered during normal business hours, and voice mail messages may be left 24 hours a day, 7 days a week. If your call goes to voice mail, a message should be left identifying yourself (or you may remain anonymous), the nature of your complaint, the location of any important events, and your contact information. The call will be returned promptly.

CEC will treat all complaints as confidential as far as is practical under applicable laws and in light of CEC's need to investigate and respond to the complaint.

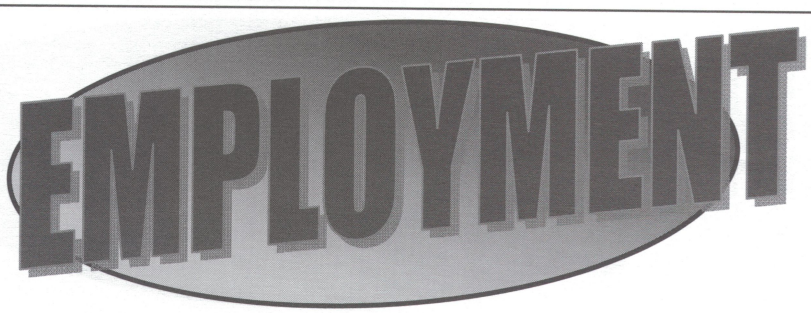
REPORTING ACCOUNTING AND AUDITING ISSUES

CEC has provided a Compliance Hotline where you can anonymously and confidentially call and report alleged improper activity related to accounting issues (i.e. fraud, theft, inventory discrepancies, financial reporting issues, etc.) and auditing issues, (i.e. discrepancies with Company policies and/or procedures). Details of the program can be found on CEC's website at www.chuckecheese.com.

The Compliance Hotline toll-free number is **1-800-789-5216**. You also have the option of reporting alleged improper activity via facsimile at 972-258-5527, Attention: Internal Audit, or via direct email at compliancehotline@cecentertainment.com. Complaints can be filed with the Internal Audit department 24 hours a day, 7 days a week. All complaints will be addressed promptly and treated in a confidential manner to the extent possible and permitted by law. When providing a complaint to the Internal Audit Department, please provide details of the nature of the complaint, who the complaint is against, and the office or store location in which the activity has occurred.

PROHIBITION OF RETALIATION

CEC strictly prohibits retaliation in any form against anyone who submits a complaint pursuant to this Policy in good faith. The prohibition against retaliation also applies to any employee participating in or cooperating with any investigation of alleged offending conduct under this Policy in good faith. Any acts of retaliation will be considered a violation of this Policy, and corrective action will be taken promptly, including the possible termination of any individual who engages in any form of retaliation. Any employee who makes a complaint in bad faith, or who refuses to cooperate or intentionally provides false or misleading information during an investigation will be subject to discipline, up to and including termination of employment.



Equal Employment Opportunity, Anti-Harassment & Non-Discrimination

(California employees – Refer to the Handbook Addendum for specific requirements under California state law.)

CEC is committed to each of its employees and to a productive work environment that is free of harassment and discrimination. Therefore, CEC will hire, train, promote, compensate, and administer all employment practices without regard to race, ancestry, color, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status, or being a member of any protected class under federal, state and local law. Harassment or discrimination of employees because they are members of any protected group is strictly prohibited and will not be tolerated.

CONDUCT CONSTITUTING HARASSMENT

The definition of harassment includes verbal, non-verbal, or physical conduct designed to threaten or intimidate. It also includes taunting which, in the employee's opinion, impairs his or her ability to perform his or her job. The following are some examples illustrating harassment that are prohibited under this Policy:

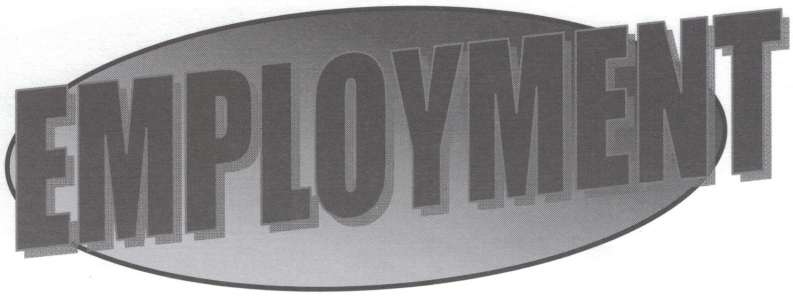
- Verbal: Comments which are not flattering regarding a person's nationality, origin, race, color, religion, gender, sexual orientation, age, physical disability, or appearance. Slurs or negative stereotyping may also be considered forms of harassment.
- Non-verbal: Distribution, display, or discussion of any letters, e-mails, notes, invitations, photographs, cartoons, articles, or other written or pictorial materials that ridicules, insults, belittles, or shows hostility toward an individual or group because of race, color, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status, or any protected class under federal, state, and local laws. Leering and obscene gestures may also be considered forms of harassment.
- Physical: Any unwanted physical contact of any kind, including but not limited to, assault or blocking of movements.

"Sexual harassment" is a form of harassment that includes unsolicited and unwelcomed sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature. The following are some examples illustrating sexual harassment that are prohibited under this Policy:

- It is sexual harassment for any person to condition a benefit of employment (such as a certain salary or promotion) or merely imply to an employee that a benefit of employment is conditioned upon the granting of a sexual favor or the establishment or continuance of a personal relationship;
- It is sexual harassment for any person to state or imply that an employee's promotion in the Company is related to the granting of a sexual favor or relationship; and
- It is sexual harassment for any person to engage in any type of conduct which unreasonably interferes with another employee's work or creates an intimidating, hostile, or offensive work environment.

Other examples of conduct that may constitute sexual harassment are:

- Verbal: Sexual suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks or threats.
- Non-verbal: Distribution, display or discussion of any written or graphic material, including calendars, posters, cartoons or other images that are sexually suggestive, or shows hostility toward an individual or group because of sex, suggestive or insulting sounds, leering, staring, whistling, obscene gestures, or content in letters and notes or other communications that are sexual in nature.
- Physical: Unwelcomed, unwanted physical contact, including but not limited to, touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing, fondling, or forced sexual intercourse or assault.



Equal Employment Opportunity, Anti-Harassment & Non-Discrimination (continued)

Normal, courteous, mutually respectful, pleasant, non-coercive interactions between employees, including men and women, that are accepted and welcomed by both parties, are not considered to be harassment, including sexual harassment.

As an employee of CEC, you should be aware that the issue of whether conduct constitutes sexual harassment or discriminatory conduct may depend on how that conduct is viewed by the employee who is subjected to the conduct. Any employee who engages in this prohibited conduct assumes the risk of violating this Policy if the person who is the object of the conduct views it as offensive. Accordingly, any employee who engages in prohibited conduct may be subject to discipline or termination, even if the conduct might not have been intended as offensive.

CONDUCT CONSTITUTING DISCRIMINATION

Examples of discriminatory conduct may include verbal harassment, such as comments that are not flattering regarding any of the protected classes referenced in this Policy. It can include jokes or negative stereotyping. Examples may also include non-verbal actions such as the distribution, display or discussion of any written or graphic material that ridicules, insults, belittles, or shows hostility toward an individual or group because of a person's race, color, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status, or any protected class under federal, state, and local laws.

The following contains some of the discriminatory conduct prohibited and condemned by CEC under this Policy:

- CEC prohibits any employee from bringing or displaying in the workplace materials having any offensive content or any item which constitutes a racial, ethnic, disability-related, discriminatory, or sexual joke or slur.
- CEC prohibits the use of CEC's property, bulletin boards, documents, e-mail and voice-mail systems for purposes of communicating a racial, ethnic, disability-related, discriminatory, or sexual joke or slur.
- CEC prohibits defacing CEC's property, or the personal property of anyone else, for purposes of communicating a racial, ethnic, disability-related, discriminatory, or sexual joke or slur.
- CEC prohibits all employees from uttering, communicating or otherwise utilizing any racial, ethnic, disability-related, discriminatory, or sexual joke, or slur, when referring to or about any other person.

CEC's "Equal Employment Opportunity, Anti-Harassment and Non-Discrimination" Policy also applies to the dealings of any employee with non-employees, such as Guests, vendors and members of the public. Furthermore, the Policy also applies to individuals who do business with CEC, who are present on CEC's premises, or who interact with any employee of CEC while the employee is on the premises.

The very nature of harassment or discrimination makes it virtually impossible to detect unless you voice your discontent with the appropriate management representative. If you believe you have been subjected or exposed to any form of harassment (including sexual harassment), discrimination, or any violation of CEC's policies, you have the right to have any such activity terminated immediately. Consequently, CEC requires that you report the alleged policy violation, incident or incidents, and the names of the individuals involved, immediately. CEC has created convenient, confidential, and reliable mechanisms for reporting alleged violations of this Policy, including the reporting procedures described below. Complaints will be accepted in writing or orally. In addition, a complainant need not be someone who was the target of the offending conduct. If you have observed any alleged violation of CEC policy, you are required to report it to CEC.

REPORTING PROCEDURES

Any allegation of harassment or discrimination must be reported to someone with the authority to intervene. Thus, a complaint of harassment or discrimination must be directed to any one of the following persons:

EMPLOYMENT

Equal Employment Opportunity, Anti-Harassment & Non-Discrimination (continued)

- any Human Resources Manager or Director;
- the Senior Vice President of Human Resources and Risk Management;
- your restaurant's General Manager or Acting General Manager;
- any of your restaurant's Managers;
- any of your restaurant's Senior Assistant Managers;
- any of your restaurant's Assistant Managers;
- your restaurant's Area Director or District Manager;
- your restaurant's Regional Vice-President; or
- the Executive Vice-President of Operations;

You can report an incident of harassment or discrimination by contacting Human Resources at 1-800-224-8257. This is a toll-free call. If there is no answer, please leave a message indicating the nature of your complaint, and your call will be returned promptly. Any person electing to use the reporting procedures provided above will be treated courteously, with the problem handled swiftly and as confidentially feasible in light of the need to take appropriate corrective action.

CEC strictly prohibits retaliation in any form against anyone who submits a complaint pursuant to this Policy in good faith. For more details on Prohibition of Retaliation, refer to CEC's "Complaint & Reporting Procedures".

Individuals with Disabilities: Non-Discrimination and Accommodations

It is the policy of CEC to hire, train, promote, compensate, and administer all employment practices without regard to a disability unrelated to the ability of the employee or applicant to perform his or her job with or without reasonable accommodation. Discrimination against job applicants, employees, Guests or anyone else with whom CEC does business because they are disabled is prohibited. Furthermore, CEC prohibits discrimination against any individual who makes a request for accommodation under this Policy, who reports a violation of this Policy, or who participates in an investigation relating to this Policy.

CEC is committed to making reasonable accommodations in job duties, the work environment, and the application process to enable a qualified person with a disability to enjoy equal employment opportunities, so long as such accommodations do not constitute an undue hardship. If you require an accommodation due to a disability, please contact your Human Resources Manager at 1-800-224-8257.

Religious and Cultural Accommodations

CEC will reasonably accommodate your religious and cultural observances and practices. Requests for time off for religious and cultural observances, except as provided on the holiday schedule, will be considered on an individual basis, and accommodations will be afforded so long as such can be accomplished without undue hardship to business operations.

Examples of reasonable accommodations include the use of voluntary substitutes, flexible scheduling, or temporary changes in job assignments. You are required to notify your General Manager in writing of any requested days off for religious observances at least thirty (30) days prior to the requested absence, when possible. Available vacation time may be used in lieu of unpaid time off.

EMPLOYMENT

Child Labor

CEC hires minors (individuals who are at least 16 years old but under 18 years old) to perform work and is committed to providing safe and healthy work conditions for them. In accordance with Child Labor laws, minors are restricted on the hours and times they can work, and in most states, the law specifies occupations and/or job functions that minors are not permitted to perform. If you are a minor or suspected of being a minor, you will be asked to provide proof of age or a work permit, where applicable. You will also receive special training on health and safety issues during orientation and periodically thereafter to ensure you are aware of the limitations set on your work schedule and job functions.

Service Awards

CEC is thankful for the valuable dedication of its employees who contribute to the success of the Company. CEC honors your continued service and will recognize you with an award when you complete one, five, ten, fifteen, twenty, twenty-five, and thirty years of service. All gifts awarded to CEC employees for their tenure are reviewed periodically and are subject to change. Please refer to the service awards poster for more details.

Outside Employment

If you are a full-time employee, we ask that you do not work full-time for another employer at the same time, unless prohibited by law. Full-time employment requires your commitment and full loyalty. If you choose to work part-time outside of your CEC employment, you must discuss your intentions to do so with your General Manager to determine if it will present a conflict of interest.

If you are a part-time employee, we ask that you advise your General Manager if you are employed in a part-time or full-time capacity outside of CEC. If that employment is deemed to be in conflict with your CEC employment, you may be asked to cease the other employment or resign from your employment with CEC.

Contracts Authorization & Custody

As a Cast Member, you do not have any authority to enter into contracts of any kind on behalf of CEC or otherwise commit CEC to any obligation. If you engage in such behavior, you will be subject to disciplinary action up to and including termination of employment.

EMPLOYMENT

Job Posting Program

CEC attempts to hire from within when possible. We utilize a job posting system to communicate information about job openings, and we base our selection of applicants solely on the job related qualifications, abilities, past performance, experience, and capacity to assume the increased responsibilities of the position in question without regard to an employee's race, color, gender, sexual orientation, national origin, religion, age, physical or mental disability, pregnancy, veteran status or any protected class under applicable federal and state laws. The Job Posting Program does not provide employees with a right to move to a new position, but rather provides an opportunity to be considered and indicate an interest in opportunities as they arise.

Opening Coordinator and Management positions up to and including the District Manager level will be posted internally on the CEC Career Center (located on the CEC website at www.cec-careers.com) and may be simultaneously posted externally. All jobs will be posted internally for a minimum of five (5) calendar days. All applications must be made via the Career Center on the CEC website. You must apply to every specific opening as it becomes available (for example, applying once to an Opening Coordinator opening does not mean you are applying to every Opening Coordinator opening that is or becomes available).

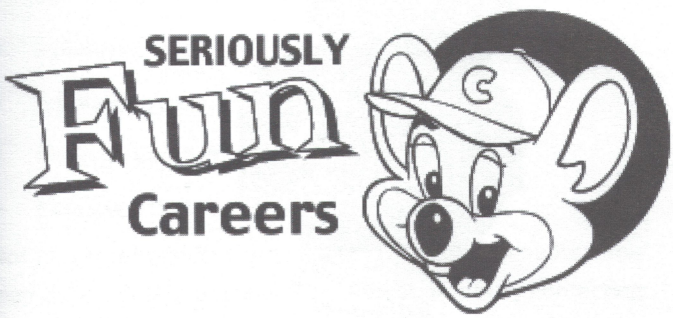
You must discuss any desire to apply for an alternate position with your General Manager before applying, although your General Manager does not have to approve the application.

Certain requirements must be met for you to be eligible for a position at a higher level. In addition to meeting job requirements, you must have an overall performance appraisal rating of "3" (meets expectations) or better, and certain minimum stay requirements in your current role may be required. Following job application, you may be subject to pre-employment screenings including skills testing, selection assessments, and/or background screening, depending on the job and as permitted by applicable legislation.

Employee Transfers

If you want to transfer to another location, you may apply for an available position at any time provided that the position is equal to your current job level and you have an overall performance appraisal rating of "3."

Involuntary transfers may occur due to elimination of a position, prohibited dating relationship, demotion, conflict of interest, or any other business necessity. Please refer to the "Employee Transfer" Policy for more details.



EMPLOYMENT

Employment Separation Procedures

You are free to terminate your employment with CEC at any time, with or without a reason, and CEC has the right to terminate your employment or the employment of others at any time, with or without reason. CEC asks that you give at least two (2) weeks written notice to your immediate Supervisor of your intention to leave your job. CEC encourages you to include in the written notice the reason for the resignation and the effective date in order for CEC and your Supervisor to adequately prepare for your departure. In the event you provide notice of your intent to leave your job, CEC retains the right to dismiss you immediately with pay (2 weeks maximum) for the notice period. If you do not give two (2) weeks' notice before resigning, you may not be considered for rehire.

If you are separated/discharged/terminated from CEC, you will receive written notice of your ability to receive any continuing benefits, including continuation of health coverage from CEC and the reasons for the separation, if applicable or required by state law. CEC will also provide you with your final pay in accordance with all applicable federal and state laws.

Opening Coordinators are required to meet with a member of the management team prior to or on their termination date to return any CEC-owned property, including keys to the restaurant.

VERIFICATION OF EMPLOYMENT AND REFERENCES

All requests for employment verifications and references are referred to Human Resources. Only Human Resources or someone acting with explicit authorization from Human Resources is permitted to speak on behalf of CEC regarding verifications or references. Requests from current or former employees must be submitted in writing, and unless applicable law requires otherwise, the only information revealed in an employment reference will be the fact that the employee was employed by CEC, the employee's dates of employment, and the employee's current or last job title.

Verification of earnings will be provided only with your prior approval or pursuant to a lawful court order, subpoena, or request by a government agency. If a former employee's future employer, or any other company, agency or organization contacts CEC for a verification or reference, they will be referred to CEC's outsourced automated service provider, The Work Number, to obtain this information. The phone number for this service is 1-800-367-5690.

BENEFITS

Benefits Summary

CEC offers a wide variety of benefits to eligible employees to help round out their overall employment package. These benefits are summarized below for quick reference. For detailed information regarding each benefit, and to determine the terms of coverage, please refer to CEC's Benefits Handbook or contact the Benefits Department. In the event of a conflict between information in this Handbook, the Benefits Handbook, and/or the Plan Documents, the provisions of the Plan Documents will prevail. Please be advised that all benefits are subject to change at any time, and we ask that you review benefit updates that may be posted in the company's newsletters, bulletin boards, memos, etc.

The benefits listed below are currently in place for eligible employees and are described in the Benefits Handbook.

- Health Plan (Medical/Dental/Prescription Drugs/Vision)
- Life Insurance & Accident Benefits
- Short-Term Disability Benefits (Opening Coordinators Only)
- Long-Term Disability Plan (Opening Coordinators Only)
- Flexible Spending Accounts for Medical Expenses & Dependent Care
- 401(k) Retirement Plan

In addition to the benefits listed in your Benefits Handbook, CEC also offers the following benefits:

- Vacation
- Sick Leave
- Holidays
- Employee Assistance Program (EAP)
- Chuck E. Cares Program
- Employee Discounts in Restaurants

Not all CEC employees are eligible for all CEC benefits. You may obtain details and eligibility requirements by contacting the Benefits Department at 972-258-5496 or 972-258-5463.

Vacation

(California employees – Refer to the Handbook Addendum for specific vacation provisions under California state law.)

Cast Members who have completed at least one (1) year of active full-time employment are eligible to receive paid vacation time beginning on their anniversary date. The maximum vacation that can be earned annually is based on your length of service with CEC as described below:

Length of Service	Maximum Vacation Earned Per Year
1 - 9 years	Up to 10 days
10 - 19 years	Up to 15 days
20+ years	Up to 20 days

Please note that unpaid time off from work may affect your vacation balance. For more information, contact the Payroll Department.

The following are specifications regarding vacation:

- Vacation pay is calculated at the employee's regular rate of pay and does not include overtime.
- Employees will not be permitted to carry unused vacation over into the next anniversary year and will not be paid for unused vacation at the end of each year, unless the state laws governing the employee's jurisdiction provide otherwise.
- Vacation may not be taken in advance of the earned date.

BENEFITS

Vacation (continued)

- Any vacation balance remaining upon termination, resignation, or the employee's separation from CEC for any reason, will be paid to the employee, in accordance with state law. (An employee who leaves CEC within the first 12 months of employment is not considered to have earned any vacation. Thus, vacation balance is equal to zero, however, some states require accrued payout).

Vacation requests should be scheduled at least 30 days in advance with the employee's Supervisor. Employees may be asked to choose alternate vacation dates if the work schedule does not permit for such absence.

CEC is committed to fulfilling its obligations under all applicable federal, state, and local laws governing the workplace. You may contact Human Resources if you have questions regarding vacation benefits in your specific state.

Sick Leave

(California employees – Refer to the Handbook Addendum for specific sick pay/leave provisions under California state law.) (Connecticut employees are paid in accordance with state laws)

If you have one (1) year of continuous full-time employment with CEC, you are eligible for up to five (5) days of paid sick leave beginning on your anniversary date. You may use sick leave for the following reasons:

- Personal sickness or injury
- Medical/Dental appointments or treatments
- To care for an eligible family member (child, spouse, domestic partner, parent, or other family member eligible in accordance with specific state laws) who is sick or injured.

You are required to notify the Manager on Duty if you are going to be absent from work, in accordance with CEC's "Attendance" Policy.

Upon returning to work, you must complete a Record of Absence form to record your use of sick leave. If you are absent from work due to illness (your own or that of your family member), CEC may ask you to do one or more of the following:

- Provide CEC with a doctor's note as a condition for you to receive sick pay.
- Undergo a physical examination, by a physician selected and paid for by CEC, to determine your fitness to return to duty; or
- Obtain a doctor's certification stating that you can safely perform all of the essential duties of your position, with or without reasonable accommodation, before you are allowed to return to work.

The following are specifications regarding sick leave:

- Sick leave is paid at your current rate of pay or wage.
- If you have less than one (1) year of employment, you may borrow up to 20 hours of sick leave after six (6) months of continuous full-time employment.
- In the majority of locations, you will not be permitted to carry unused sick leave over into the next calendar year and will not be paid for unused sick leave at the end of each calendar year.
- Any earned sick leave balance remaining upon termination, resignation, or your separation from CEC for any reason, will not be paid to you. Any borrowed sick leave will be deducted from your final check, where permitted by law.

CEC is committed to fulfilling its obligations under all applicable federal, state, and local laws governing the workplace. You may contact Human Resources with questions on sick leave provisions in your specific state.

BENEFITS

Holidays

CEC's holiday schedule, which may be subject to change, will be published in advance each year to provide the dates for holidays being observed during the upcoming year. The following are the holidays observed by CEC Operations:

- New Year's Day
- Easter
- Thanksgiving Day ***(Closed for Business)***
- Christmas Day ***(Closed for Business)***

If CEC's restaurants are closed for business on a holiday being observed, you will be provided with unpaid time off from work. If asked to work on such holiday by your Supervisor, you will be entitled to "Holiday Worked" (HOW) pay for actual hours worked that day. HOW is paid at one and one-half times your regular rate of pay for hours actually worked.

If CEC's restaurants remain open for business on a holiday being observed, you will be entitled to HOW pay for actual hours worked on such holiday; however, you must have more than six (6) months of employment with CEC. If you have less than six (6) months of employment, actual hours worked will be paid at your regular rate of pay; unless hours worked are considered overtime.

CEC complies with all federal, state, and local laws regulating the workplace and holiday observance/pay. In some states, certain holidays are required by state law. For example, in New Hampshire, military veterans with an honorable discharge are entitled to a holiday on Veterans' Day. Please contact your Human Resources Manager if you have a question regarding your specific state.

Employee Discounts In Restaurants

Opening Coordinator & Team 2 Discount – On Duty

Opening Coordinators and Team 2's may receive a 100% discount on one (1) meal per shift (5-10 hours) when working in the restaurant. You can also receive a second meal if your work over 10 hours in one day. Maximum discount per meal is $20 (retail value = $20), plus you receive free soft drinks.

Opening Coordinator Discount Off-Duty

Opening Coordinators may receive a 50% discount on food and non-alcoholic beverages purchased for yourself and your immediate family members. Maximum discount is $50 (retail value = $100). This discount cannot be given more than once a week and can only be used for groups of no more than six (6) people, including yourself.

Cast Member Discounts

Cast Members may receive a 50% discount on one (1) meal during each shift (up to 10 hours) worked. If you work more than 10 hours in a day, you may receive two (2) meals at the 50% discount. Maximum discount per meal is $10.00 (retail value = $20), plus you will receive free soft drinks.

The appropriate discount key on the POS system must be used to record the transaction, and the Manager on Duty must provide approval by swiping his/her card or typing his/her password into the POS system to validate the transaction. You may <u>not</u> ring up or make your own meals.

BENEFITS

Chuck E. Cares

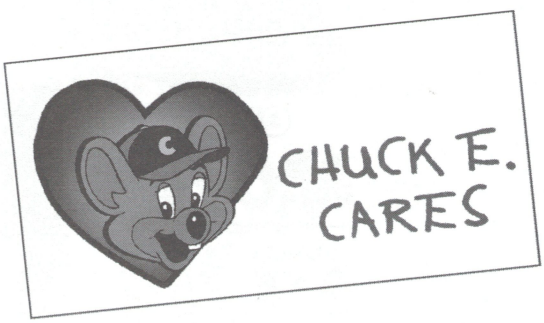
The Chuck E. Cares Program was established to help respond to our employees' needs in times of crisis. Chuck E. Cares is an immediate and organized way to help our fellow employees in times of need.

The Program is simple. You can make donations in the form of payroll deduction or personal check. Payroll deductions can be as small as $1.00 or as large as $20.00 per paycheck. CEC matches employees' contributions dollar for dollar up to a maximum of $20,000 per year.

Chuck E. Cares helps employees who suffer an unforeseen personal or family (spouse, child or parent) tragedy causing a need for financial assistance. The impact must affect you or a member of your family directly. Examples include but are not limited to, natural disasters, extensive medical bills, house fires, death or a major illness or injury.

The Chuck E. Cares committee determines what amount of assistance will be given, if any, for each request up to a maximum allowable amount of $2,000 per employee, per occurrence. This contribution will be classified as taxable income. The recipient is responsible for paying the applicable tax.

Chuck E. Cares is another way to show our support for our wonderful employees who truly make a difference every day! Participation/enrollment forms are provided in new hire packets and are located in your store. Contact Human Resources if you are interested in participating in this Program.



Employee Assistance Program (EAP)

CEC makes available professional services to assist you if you may be experiencing personal problems that are difficult to manage without help. The Employee Assistance Program is an outside professional counseling and consultation service (made up of licensed, accredited, and qualified providers) that is designed to help you and your eligible family members with a wide range of personal issues including:

- Marital and family problems
- Emotional wellbeing
- Addiction & recovery
- Financial and credit concerns
- Parenting and child care
- Elder Care
- Legal issues and questions
- Education
- Work-related issues
- Interpersonal conflicts

You and your eligible dependents are entitled to unlimited telephone counseling and up to three (3) in-person counseling sessions per "incident" per calendar year for any of the above counseling or consulting services at no cost to you. Additional in-person counseling sessions are available for a fee.

LEAVES OF ABSENCE
TIME OFF

(California employees – Refer to the Handbook Addendum for specific leave rights under California state law.)

Family & Medical Leave

CEC will grant up to 12 weeks of unpaid time off from work to eligible employees for the following reasons:

- The birth of your "child" and to care for the newborn child.
- The placement of a child with you for adoption or foster care, and/or to care for the newly placed child.
- Your own "serious health condition" (SHC) which makes you unable to perform one or more of the essential functions required in your job.
- To care for your spouse, child, parent, or domestic partner, who has a SHC.
- Any "qualifying exigency" arising out of the fact that your spouse, child, or parent is or has been ordered to active duty or has been notified of an impending call or order to active duty in the National Guard or Reserves in support of a contingency operation. It does not extend to family members of military members in Regular Armed Forces.
- Because you are the spouse, child, parent, or next of kin of a "covered service member" with a serious injury or illness. (If this is the case, you qualify for a special leave entitlement that allows up to 26 weeks of leave during a single 12 month period, to care for the covered service member. These 26 weeks are in combination with any other Family and Medical leave taken during the same period.)

To be eligible for Family and Medical Leave, you must meet all of the following criteria:

- You must be employed with CEC for at least 12 months (need not be consecutive).
- You must have worked at least 1250 hours during the previous 12-month period preceding the commencement of the leave of absence.
- You must work in a location where 50 or more employees are employed by CEC within a 75-mile radius.

The 12 weeks of leave during a 12-month period do not have to be taken all at once. Leave can be intermittent (one day periodically when needed) or on a reduced leave schedule when medically necessary. If you are granted a leave of absence on an intermittent or reduced-schedule basis, CEC may require you to temporarily transfer to an alternate position that accommodates your recurring absences or part-time schedule.

CEC uses a "rolling year" formula to calculate how much leave is available. The 12-month period is measured backwards from the date of any Family and Medical Leave usage; any leave under FMLA taken during that period must be reduced from the 12 weeks allowed. If you have any paid leave available such as vacation or sick time, CEC may require that you first use paid leave and then take the remainder of the leave of absence as unpaid.

There are certain limitations on FMLA Leave. Please see the "Family and Medical Leave" Policy for more details.

EMPLOYMENT AND BENEFITS PROTECTION

While on Family and Medical Leave, you are entitled to continue group health benefits coverage under the same conditions as if you had continued to work. You must make arrangements with CEC's Benefits Department to continue making premium payments on your health insurance.

Upon return from an FMLA leave, you will be placed in the same position that you held before the leave or an equivalent position with equivalent pay, benefits, and other employment terms.

PROCEDURE FOR REQUESTING FMLA

When the need for Family and Medical Leave is foreseeable, you should notify CEC's outsourced Leave and Disability Administrator, Unum Group (UNUM), no less than 30 days before the date leave is to begin. If the leave is foreseeable based on planned medical treatment, you should make a reasonable effort to schedule the treatment so as not to

LEAVES OF ABSENCE
TIME OFF

disrupt CEC's operation. In the event that the leave is not foreseeable, you should notify UNUM as soon as possible from the date leave is to begin. The phone number for UNUM is 1-877-721-3197.

If you request leave under FMLA for a serious health condition, you will be required to provide certification to support your request. Certification for a serious health condition may include any of the following:

- Certification form provided by the U.S. Department of Labor.
- Statement issued by a health care provider with pertinent information about the serious medical condition and its impact on your ability to return to work.

While on Family and Medical Leave, CEC may require that you obtain subsequent recertification on a reasonable basis and potentially a second or third medical opinion at CEC's expense. See CEC's "Family and Medical Leave" Policy for more details.

Before you return to work from FMLA leave as a result of your own serious health condition, you must present written medical certification from a health care provider stating that you are able to perform the essential functions required for your job either with or without a reasonable accommodation. Failure to provide such certification may result in a delay of the anticipated return to work date.

If there is a need for a reasonable accommodation in order for you to return to work following an FMLA leave, the request for the accommodation must be done through Human Resources. Refer to CEC's "Individuals with Disabilities: Non-Discrimination and Accommodations" Policy for more information on reasonable accommodations.

STATE FAMILY AND MEDICAL LEAVE LAWS

Some states have specific provisions for their own jurisdictions that may differ from CEC's "Family and Medical Leave" Policy. Please contact UNUM for more information on your rights and benefits in accordance with specific state laws. If you are a California employee, refer to the Handbook Addendum for more details on leave benefits in your state.

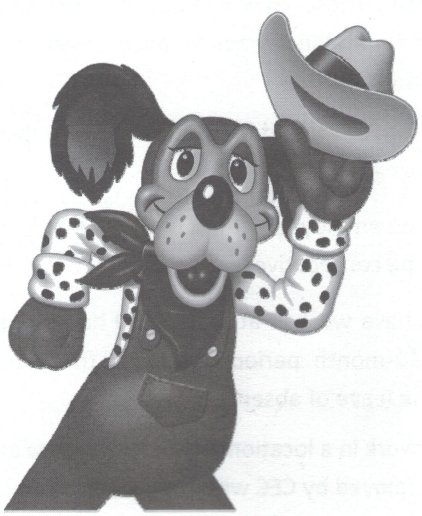
Military Leave

You may take an unpaid leave of absence for the performance of duty on a voluntary or involuntary basis in a uniformed service. Uniformed service members are eligible for certain employment and benefits protection under federal law. Please refer to CEC's "Military Leave" Policy or contact UNUM, CEC's outsourced Leave and Disability Administrator, for more information.

Volunteer Emergency Responder Leave

CEC will reasonably accommodate you if you request time off to perform duties as a volunteer emergency responder, if required by federal, state, or local legislation. Examples of a volunteer emergency responder are an American Red Cross or disaster relief service volunteer, an emergency medical services attendant or technician, volunteer firefighter, or any other volunteer emergency responder of this type. In addition, an employee who is a volunteer firefighter may be permitted to take temporary leaves of absence for the purpose of fire or law enforcement training.

You are required to notify your Supervisor as soon as possible of the necessary leave time and to provide verification of service either before the leave begins (if possible) or upon your return to work. Time away from work will be unpaid unless you choose to use your available vacation time.



LEAVES OF ABSENCE
TIME OFF

Leave for Victims of Domestic Violence or Sexual Assault

CEC will provide leave for eligible employees who are the victims of domestic violence or sexual assault, or who are family members, household members, domestic partners or dating partners of a victim of domestic violence or sexual assault in jurisdictions where it is required. The definition of individuals eligible for this leave as well as the amount of time that can be taken varies by state and/or local jurisdictions. You should contact your Human Resources Manager for information regarding your specific state and/or local laws.

Leave for victims of domestic abuse is unpaid; however you may choose to use any available sick or vacation time. You may not lose any accrued benefits during the leave, and health benefits will be maintained. Leave under this Policy does not extend the time allowable under the "Family and Medical Leave" Policy. If you wish to request this type of leave, you should contact the Benefits Department.

Personal Leave

CEC may grant you time off from work due to personal reasons not covered under any other CEC leave policy or applicable statutory law. Full-time and part-time employees are eligible, and up to thirty (30) calendar days of unpaid leave may be granted. The need for personal leave must be legitimate, and you must apply for and receive approval for the leave from the Benefits Department. You are required to submit requests in writing for personal leave at least thirty (30) days prior to the requested absence, when possible.

All requests will be reviewed on a case by case basis, and job performance, absenteeism and the unit's ability to sustain functioning in your absence will be taken into consideration. If approved, you must first use other types of available leave, if applicable. Earned vacation, or any other paid time off available, may be used in lieu of personal leave of absence; however, paid time off cannot be used in conjunction with a personal leave of absence.

Eligibility for employer-paid group health benefits coverage continues during a personal leave of absence, but you must make arrangements with the Benefits Department to continue making your premium payments.

Bereavement Leave

CEC will grant you paid time off from work in the event that a death occurs in your family. You will be entitled to a maximum of five (5) work days of bereavement leave when death occurs within your immediate family; up to three (3) days for other relatives. Time off for bereavement leave is subject to approval by your Supervisor. If you need bereavement leave or wish to take time off to attend a funeral, you should notify your Supervisor immediately to allow for coverage of the work shift where applicable.

For the purpose of bereavement only, "immediate family" is defined as your spouse, domestic partner, your child, stepchild, parent, step-parent or sibling. "Other relatives" is defined as your grandparent, grandchild, your sibling's child, or in-law (parent, child, or sibling).

To be eligible for paid bereavement leave, you are required to be a full-time or part-time employee for at least ninety (90) days. If the need for bereavement leave occurs before the ninety (90) days, time off may be authorized; however, it will be unpaid.

If you need time off for bereavement of a person with whom you have held a special relationship, for your family member not included in the definition above, or if there are special circumstances where additional time off beyond the allowances provided in this Policy may be required, please contact Human Resources for benefit determination.

LEAVES OF ABSENCE
TIME OFF

Jury and Witness Duty

CEC values your participation in important civic duties. Therefore, you will be granted time off from regularly scheduled working hours to report for Jury or Witness Duty. If you are summoned to participate, you must notify your Supervisor immediately and before any such service is required, if possible.

Unless otherwise required by state law, full-time employees, participating in jury or witness duty during regularly scheduled work hours, are eligible for up to ten (10) days of paid time off per calendar year. If you are required to serve on jury or witness duty for more than ten (10) working days per calendar year, CEC may provide additional compensation if the jurisdiction in which you are serving so requires. You will be paid for the missed work shift(s) at your regular rate of pay. Part-time employees are not eligible for jury duty pay, but are allowed to take the time off.

If you are excused from jury duty or witness duty before the end of your scheduled work shift, you must then report to work for the remainder of the work schedule; provided that you are not required to work any hour past a total of eight (8) hours per day including the time spent serving on jury or witness duty. For example, if you served on jury duty for four (4) hours and five (5) hours remain of your scheduled work shift for that day, you are required to work four (4) hours of the remaining shift. You may be required to provide certification for jury or witness duty as supporting documentation.

Workers' Compensation Leave

Workers' Compensation provides employees injured at work with income and medical benefits as defined by law. Entitlement to workers' compensation benefits is defined by state statute and is, therefore, different in each state. Please refer to CEC's "On the Job Injuries" Policy for details on reporting an incident. If you suffer an on-the-job injury and are unable to work, you will be placed on a leave of absence if your time away from work exceeds the state mandated waiting period. The leave of absence granted is subject to federal and/or state law.

Contact the Workers' Compensation Administrator at the Support Center if you need further information or details.

School Visitation Leave

CEC will grant unpaid time off from work if you are a parent, step-parent, foster parent, guardian or legal ward of school children to attend school or day care meetings or events pursuant to applicable laws in your state. In some cases, grandparents may also be eligible for this leave. Events may include:

- Parent involvement programs;
- Participation in a school-related event for your child;
- Attendance at school conferences;
- Observation or participation in classroom activities; or
- Any other school related activity as required by law.

You may choose to use any available vacation time (or other paid time off if required by law) in lieu of the unpaid time off. You must provide reasonable notice of the intent to take leave when practical and as required in your jurisdiction.

Voting Leave

CEC believes it is your responsibility and duty to exercise your right to vote in elections. Therefore, CEC will grant you approved time off to vote in accordance with federal, state and local laws. Unless state, or local laws provide otherwise, if you have three (3) consecutive hours available to vote during polling hours outside of your normal work schedule, you will not be eligible to take any additional time off from work for voting purposes.

If you do not have three (3) consecutive hours available to vote during polling hours outside of your normal work schedule, you may take a reasonable amount of time (2-3 hours of leave) off to vote. In the event that you need additional time, you should speak with your Supervisor. No deductions will be made from your wages or salary for the time taken for voting, and you will not be expected to make up the missed work hours.

WORKPLACE & ENVIRONMENT

Appearance Standards

Work attire should complement an environment that reflects an efficient, orderly and professionally operated organization.

You are required to follow all safety regulations and specific health code regulations regarding shoes and apparel for each work area. For safety and security reasons, no changing will be allowed on CEC property before or after your shift. Moderation in dress and grooming are required as we are a family-friendly restaurant / entertainment concept.

The following is a detailed explanation of the grooming and appearance standards required by CEC. Please remember, where required by law, CEC does allow reasonable changes to these standards in order to accommodate medical, religious, or cultural beliefs or any other practice or situation as protected by law. Any such accommodation must be reviewed and approved by your Human Resources Manager.

Personal Hygiene - You should always be neat and clean in accordance with generally accepted personal hygiene standards. Your hands must be clean at all times. Fingernails must be clean and trimmed. There should be no offensive body odor or excessive cologne/perfume.

Hair - No extreme or outlandish hairstyles or colors are permitted. Hair should be clean, neatly styled and maintained for sanitary and business image reasons.

- Females: Hair that is longer than shoulder length must be tied back.
- Males: Hair length cannot be longer than the shirt collar with sideburns trimmed and no longer than the bottom of the ear. Moustaches are to be neatly trimmed and no longer than the edge of the lip. No beards, goatees or long sideburns are permitted.

Makeup - Makeup is to be limited and conservative. Nail polish must be clear or neutral, subject to the discretion of the management.

Colognes / Perfumes - Heavy use of colognes or perfumes is not acceptable.

Jewelry - Due to safety and health conditions, a maximum of one necklace inside your shirt, one watch/bracelet per arm and one ring on each hand may be worn. Females only may wear post style (no dangling) earrings with a maximum of two per ear. No visible body piercings (nose, tongue, eyebrow, etc.) are allowed.

Tattoos - No visible tattoos are allowed.

Hats - CEC issued hats must be worn by all Kitchen Cast Members. They should be clean, well maintained and be forward facing. No other hats are allowed.

Cast Member Shirts - Short-sleeved, solid red, navy blue or black Polo style shirts may be worn. No logo or writing is allowed on the front or back of the shirt. Shirts must cover the shoulders and midriff and be tucked into pants. White, black or coordinating crew neck tee shirts are permitted to be worn under the Polo style shirt. Please ensure your shirts and pants/shorts are not the same color and coordinate.

Cast Member Sweater, Sweatshirt or Jacket - During colder weather, Cast Members located at Kid Check, the Order Counter or near the door may wear a white, red, black, or blue cardigan sweater, or sweat top or jacket without hood. No logos or writing is allowed on front or back. The CEC lanyard must be worn outside the garment and must be visible to our Guests.

Cast Member Pants / Shorts - Solid black, navy blue or Khaki dress slacks or Dockers type pants or knee length shorts may be worn. The pants/shorts must be the appropriate size and shorts must not be more than 2 inches above or below the knee. No Cargo style pants or shorts are allowed. Conservative style black or brown belts should be worn when pants/shorts have belt loops.

Cast Member Socks / Shoes - Shoes must be labeled slip resistant, dark colored, leather like, closed toe with matching laces. For safety reasons, platform shoes, sandals, moccasins, construction/Doc Marten style shoes/boots, or shoes with heel heights of 3" or more are not allowed. If you fail to wear slip-resistant shoes you will not be permitted to work your shift and will be sent home without pay. Socks are to be clean, coordinated and conservative; and can be crew-cut, low-cut or runners.

Lanyards - Lanyards with your name tag must be worn at all times. These are both CEC issued.

Friendly Demeanor and Smile - This is the most important part of our appearance standards! Smile and show our Guests your pride and that you are happy and having fun!

WORKPLACE & ENVIRONMENT

Cash Handling Procedures

The handling of cash is a critical and serious responsibility. If you have the responsibility for handling cash in your store, you must adhere to the following guidelines and procedures. Failure to follow these established cash handling procedures may result in disciplinary action up to and including termination of employment.

- Cashiers are responsible for verifying and counting the drawer amount assigned to them at the beginning and at the end of their shift. They are the only ones allowed to operate their assigned drawers and will be held accountable. Any overages or shortages incurred must be communicated to the Manager on Duty immediately. Cashiers may be removed from the register for overages or shortages. Cashiers may not replace any shortages with their own money. These types of incidents will be handled as performance issues.
- Cashiers have an assigned access number that must not be shared with anyone – including any Manager; access numbers should be memorized, and no written numbers should be left where others can obtain it.
- Cashiers may only open the drawer assigned to them and must ensure they properly close it after each use. Other than the Manager on Duty, no one is authorized to open a cash drawer that is not assigned to them. However, the Manager on Duty may only open a cashier's register when the cashier is present. Also, the cashier must remain present while the Manager on Duty counts his/her drawer at the end of the shift.
- Cashiers must request approval from the Manager on Duty before accepting $50 and $100 dollar bills. Also, cashiers must mark these bills with a counterfeit pen to ensure they are genuine and not counterfeit.
- Voids, refunds, and re-opened checks may only be performed by Managers; therefore, cashiers must notify the Manager on Duty if one is needed. Cashiers must ensure original receipts and/or invoices are signed by the Manager on Duty before ringing it up on the register. The register printout and original documentation must also be signed by the cashier and maintained in the register drawer.
- No employee is authorized to take money out of the safe or drawers other than to conduct CEC business and then, only with proper access and authorization. Taking money for reasons other than to conduct Company business is considered larceny, even with the intention of replacing the money at a later time; Cash advancements for employees are not authorized or allowed.

Relationships Among Employees & Employment of Relatives

All relationships should be reflective of a professional environment and effective business operation. Employees are strictly prohibited from having intimate, romantic, or dating relationships with any employee under their direct supervision. If any such relationship develops, it is the responsibility of both parties to immediately inform your District Manager or Human Resources Manager.

CEC may reassign one or both of you to an available position for which you are qualified. If a position is not available, one or both of you will be asked to resign from your employment with CEC. If you marry or become related by marriage, you may continue your employment if you do not work in a direct supervisory relationship or the relationship does not otherwise present problems in supervision, safety, security or morale.

It is also strictly prohibited for relatives (as defined below) to be employed under each other's direct supervision or areas which may result in a conflict of interest. "Relatives" for the purposes of this Policy only are defined as your parent, child, sibling, spouse, domestic partner, stepparent, stepsister, stepbrother, stepchild, niece, nephew, cousin, uncle, aunt, grandparent, grandchild, in-laws, spouse or domestic partner of any of the above, and other members of your immediate and extended family who reside in your household.

CEC administers and applies this Policy in accordance with all applicable federal and state laws and regulations. If you become aware of a prohibited relationship as described above, you should report it in the same manner as you would report an incident of discrimination or harassment as outlined in CEC's "Equal Employment Opportunity, Anti-Harassment and Non-Discrimination" Policy.

WORKPLACE & ENVIRONMENT

Records Privacy / Personnel File Access

CEC keeps a personnel file on each Cast Member in the restaurant. The contents of your file are open for your inspection at reasonable times and at reasonable intervals. You may contact Human Resources to access your data in these files. Access to all personnel files is only permitted in accordance with applicable federal, state, and local laws.

CEC is committed to protecting your privacy rights and interests and preventing inappropriate or unnecessary disclosure of information from your file or record in accordance with its obligations under all applicable federal, state, and local statutes and regulations governing the workplace. CEC will only collect personal information that is required to pursue its business operations and to comply with government reporting and disclosure requirements. All personal and employment-related information about you is to be maintained in a secure, confidential, and appropriate manner. Any medical record or records relating to any medical leave will be kept in a separate and secure file or forwarded to the Benefits Department, if applicable. Separate employee benefits files will be maintained in our Support Center by the Benefits Department to store any documents concerning your benefits plan participation.

CEC takes the protection of your information seriously, and to the extent possible, will restrict access to personnel files (1) to CEC employees who need to know as a function of their positions within CEC and to facilitate your employment; (2) as required by law; and (3) if requested or consented to by you. A Manager, Hiring Manager, or Supervisor may have access to a subordinate's personnel file. Access to personnel files is also given to the CEO/President, Human Resources, and/or Legal upon request. In all cases, access to a personnel file will only be allowed where permissible under applicable state and/or local laws and regulations.

CEC retains documents in accordance with record retention requirements under federal and state law. Therefore, after the expiration of the applicable retention period, the records are destroyed. Consequently, certain historical documents may not be available for review.

Loitering

Loitering refers to remaining in or hanging around an area for no obvious business purpose. You should not remain on the premises prior to or after your shift or on your days off, unless you are on the premises as a Guest of CEC. While your friends, family members, and business contacts are welcomed as Guests, they are not authorized to loiter on CEC's property. In addition, your children may visit your workplace for a special occasion or due to a special circumstance, but they are not allowed to stay at the workplace for an extended period of time while you are working. Any individual who is considered to be loitering may be asked to leave the premises.

WORKPLACE & ENVIRONMENT

Solicitation

"Solicitation" refers to any communication by any employee or group of employees to another employee or group of employees that encourages, demands, or requests a contribution of money, time, effort, or personal involvement or membership.

Some examples of solicitation include asking employees:

- For contributions;
- To purchase goods for charitable or commercial purposes (raffle tickets, cookies, etc.);
- To sign petitions;
- To join or become members of a group;
- To support political candidates;
- To support or commit to causes, groups, or interests.

CEC does not interfere with or restrain you in exercising your rights under federal and state laws. CEC allows you to solicit co-workers during meal and rest breaks and during any other period of time that is not working time, so long as you do not disrupt or interfere with ongoing CEC operations and do not harass or offend other employees.

In order to keep CEC's premises safe, neat, and clean, solicitation literature may not be thrown or discarded on CEC's property, unless it is placed in appropriate waste receptacles.

Unless you have obtained prior approval from the Human Resources Department, you are not permitted to:

- Solicit or be solicited during your working time and/or in working areas.
- Distribute or receive non-work-related information/ materials during your working time and/or in your working areas.
- Use CEC property and/or assets for purposes other than Company business, including but not limited to stationery, meeting rooms, the Company intranet, bulletin boards, telephones, computers, copiers, fax machines, and handheld communication devices.

Persons not employed by CEC are not permitted to be on the premises to solicit or distribute literature in any form or through any medium or offer merchandise for sale on CEC property at any time without approval from your Regional Vice President.

DEFINITIONS

"Working Time" includes any time when you are expected to be performing your job duties. It does not include time such as before/after a work shift, breaks, and lunch periods.

"Work Areas" include any areas where actual work is performed for CEC. As a general rule, working areas do not include break rooms, parking lots, cafeterias, and restrooms.

"Company Premises" includes all buildings and land owned or leased by CEC; it does not include public streets and public sidewalks.

WORKPLACE & ENVIRONMENT

Tobacco Use

Due to the increasing evidence of the dangers of tobacco smoke, CEC strictly prohibits the use of tobacco products inside any company owned or leased building or vehicle. Such products include, but are not limited to, cigars, pipes, cigarettes, electronic cigarettes, and chewing tobacco.

CEC recognizes that the decision to smoke is a personal one, therefore, if you smoke, you are allowed to do so, provided you smoke only during scheduled meal and rest breaks in designated smoking areas. Such areas must be outdoors, away from Guests, and away from main entrances/exits, as required by federal, state, and local laws.

Where smoking is permitted, you are required to use ashtrays or similar receptacles to guard against fire and maintain a clean environment. You should be aware that other employees and Guests may have allergies or be sensitive to the smell of smoke on clothing or hair, and you should make every effort to come to work or return from break free from the smell of smoke.

CEC complies with all federal, state and local laws relating to tobacco use in the workplace. If you violate this Policy, you may be subject to disciplinary action, up to and including termination of employment.

Confidential & Proprietary Information

All employees must protect CEC's confidential and proprietary information as well as confidential information belonging to CEC's Guests and suppliers. The term "Confidential Information" means trade secrets and other confidential and proprietary information, and any and all other information, oral or written, that is not generally known by persons not employed by CEC. This information includes, but is not limited to, all non-public information that, if disclosed, might be useful to competitors or investors or harmful to CEC, our suppliers or Guests.

Only certain designated employees may discuss CEC with the news media, securities analysts, and investors. If someone not employed with CEC asks questions, either directly or indirectly, you should not attempt to answer him or her unless you are authorized to do so. All inquiries from outsiders regarding financial or other information about CEC should be referred to CEC's Chief Financial Officer or President & Chief Executive Officer. Inquiries from the media should be referred to CEC's Marketing Department.

WORKPLACE & ENVIRONMENT

Workplace Violence

Workplace violence is any conduct that is severe, offensive, or intimidating enough to make an individual reasonably fear for his/her personal safety or the safety of family, friends, or property. It can include or be affected by acts occurring on or off of CEC's premises, regardless of the relationship between CEC and the perpetrator or victim of the behavior.

Conduct that threatens or intimidates another employee, a Guest, or a member of the public will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on any protected class as defined by federal, state, or local law. Any CEC employee who commits acts or threats of workplace violence will be subject to disciplinary action up to and including termination of employment and, in addition, may face legal consequences including criminal prosecution.

Examples of conduct that may be considered threats or acts of violence in the workplace include, but are not limited to:

- Threatening or making physical or aggressive contact with or toward another individual or engaging in behavior that causes a reasonable fear of such contact;
- Threatening an individual or his/her family, friends, associates or property with physical harm or behavior that causes a reasonable fear of such harm;
- Intentional destruction or threat of destruction of CEC's or another's property;
- Harassing or threatening physical harm or offensive conduct/behavior;
- Humiliating or intimidating conduct/behavior, verbal and non-verbal statements or expressions, written or electronic communications, including but not limited to phone calls, emails, letters, faxes, website materials, diagrams or drawings, gestures and any other form of communication that causes or could cause a reasonable fear and/or intimidation response in others;
- Stalking;
- Engaging in or supporting the inappropriate use of firearms or weapons of any kind;
- Domestic violence; and
- All forms of bullying including verbal, physical, and gestures.

CEC does not expect you to be skilled at identifying potentially dangerous persons; however, you are expected to exercise good judgment and to inform your General Manager or Manager on Duty if any person (employee, Guest, vendor, solicitor, or any other member of the public) exhibits behavior that could be a sign of a potentially dangerous situation. In case of an emergency, where you believe you, or anyone else, is in immediate danger, you should contact the Police Department by dialing 911. CEC will promptly and thoroughly investigate all reports of acts or threats of violence and of suspicious individuals or activities.

Retaliation against anyone for reporting an actual or suspected violation of this Policy in good faith will not be tolerated and will subject the individual engaging in the retaliation to discipline up to and including termination of employment. Any complaints about retaliation should be reported to your Human Resources Manager.

TIMEKEEPING & PAYROLL

Full & Part Time Classification

If you are expected to be regularly scheduled to work at least 35 hours per week on average, you will be initially classified as "full-time." If you are expected to be regularly scheduled to work less than 35 hours per week on average, you will be initially classified as "part-time." A review of your hours worked will be performed 60 days after your date of hire to determine your classification.

Your actual hours worked will be reviewed quarterly. If you have worked an average of at least 35 hours per week during that time period, you will be classified as full-time prospectively. If you have worked less than 35 hours per week on average, you will be classified as part-time prospectively. All regular, overtime, vacation, paid holidays, jury duty, and sick pay earnings are included for purposes of determining full-time and part-time status. Your benefits may be impacted by a reclassification. Please contact the Benefits Department for details.

For the purposes of full-time and part-time classification, all salaried employees are classified as full-time, and they are expected to work a minimum of 35 hours per week on average.

Work Schedules

The work week for Cast Members is Monday through Sunday. Your schedule will be posted in the Cast Member's break area by Thursday for the following work week. Your schedule is subject to change and should be checked daily. Only Managers are authorized to make changes to posted schedules. At times, you may be asked to attend work early, to work past the end of your scheduled shift, or leave work earlier than scheduled, due to business demands. Upon request, you should let a Manager know of any commitments that may prevent you from working outside your scheduled shift. Also, due to changes in staffing needs, you may be notified by Management not to report for a scheduled work shift. The notification by Management should occur at least two (2) hours prior to your scheduled shift. If you work on different schedules, you may swap shifts when needed with Management approval.

Timekeeping

You are required to use the register system to record your daily hours worked during each pay period. You must log into a register, using your assigned *access code*, for the following:

- Beginning of your shift.
- Beginning of your rest or meal break.
- End of your rest or meal break.
- End of your shift.

You are strictly prohibited from logging other employees into a register; therefore, you are not to use someone else's access code. If you experience any problems logging into the register, or if you are ever asked to log into the register for another employee, you must immediately notify your Supervisor.

You are required to refer to and comply with CEC's other policies relating to sick leave, vacation, jury & witness duty, bereavement leave, and medical or maternity leave under the Family and Medical Leave Act, etc. If you need to take time off or a leave of absence under any of CEC's policies, you should speak with your Supervisor and Human Resources prior to the leave in accordance with such policies, or as soon as practical if you are unable to give prior notice. The Manager on Duty will record any applicable paid time off for you in the system.

On the Monday after the end of a pay period, the General Manager will ensure that hours worked by you during the pay period are accurate (i.e., ensuring employees logged in and out the register for shifts and breaks); confer with you if your time records are incomplete or otherwise inaccurate; and make any adjustments as necessary. Editing employee times must be kept to a minimum, and you may not edit your own time under any circumstances. If your time is adjusted, you should acknowledge the adjustment on the time record.

Misrepresenting working hours, falsifying signatures or information on time records or systems, or tampering with CEC's register or other employees' time records are extremely serious offenses. Employees found to have engaged in any of these prohibited activities are subject to immediate discipline, up to and including termination of employment.

TIMEKEEPING & PAYROLL

Meal & Rest Breaks

(California employees – refer to the Handbook Addendum for specific meal and rest break requirements stipulated by California state law.)

CEC will provide you with ample time for meal and rest breaks and these break periods will be scheduled in accordance with federal, state, and/or local laws, where applicable. Your meal and rest breaks are based on: the number of hours worked on that day, availability of coverage, and other business necessities. At CEC restaurants, meal and rest breaks will be scheduled by your General Manager or Manager on Duty, and any changes to the schedule must be approved by the Manager on Duty.

Many states have specific break laws which must be followed. If your state doesn't have a meal/break law, CEC's Policy would apply as follows. For every 4 hours of work per day, a paid 10 minute rest break will be available. Additionally, a 30 minute unpaid meal break will be available when you work over 5 hours per day. If you are working more than 10 hours per day, a second 30 minute unpaid meal break will also be available.

Meal and rest breaks should be taken at reasonable intervals and cannot be saved to the end of the work day in order to leave early. Meal breaks of less than 20 uninterrupted minutes, even if you have been relieved of all duties, are to be paid and should be recorded as such. It is imperative that you clock in and out via the register for all breaks taken, whether paid or unpaid. You may not work until you have clocked in and must completely cease working when you have clocked out. If you forget to clock in or out, or if you believe the clocked in or out times are not accurate, you must notify the General Manager or Manager on Duty immediately so that your time can be accurately recorded.

Taking a full break time when scheduled, clocking in and out for breaks, and returning from breaks on time are all important components of this Policy. Failure to comply with any or all of the requirements stipulated in this Policy is a serious violation of Company policy, and it is strictly prohibited. Such violations may result in disciplinary action up to and including termination of employment.

Breaks for Nursing Mothers

CEC is committed to supporting breastfeeding mothers by accommodating the mother who wishes to express milk for her infant. You will be given a reasonable break to express breast milk for your nursing child, for a maximum period of 1-3 years after your child's birth, depending on specific state or local law.

You must be provided a place to express milk, other than a bathroom or stall, which is shielded from view and free from co-worker and public intrusion. Also, where required by law, you will be allowed to refrigerate expressed milk in an appropriate, labeled, and sealed container.

To the extent possible, the break time for expressing milk shall run concurrently with any paid or unpaid break time already provided to you. CEC understands that the frequency of breaks needed to express milk, as well as the duration of each break, will likely vary.

TIMEKEEPING & PAYROLL

Payroll Procedures

PAY PERIODS

Pay days are every other Friday, or as required by state law. Pay periods are for two weeks beginning at 12:00 a.m. on Monday and ending at 12:00 midnight on Sunday of the second week.

OVERTIME

(California employees – refer to the Handbook Addendum for specific overtime provisions in accordance with California state law.)

You are paid on an hourly basis and are entitled to overtime pay for time worked in excess of 40 hours per week or as required by federal, state, and/or local laws.

The following are specifications regarding overtime:

- Overtime is paid at one and one-half times the regular rate of pay, unless otherwise dictated by state or local law.
- Paid time off (Holiday Pay, Vacation, Sick Leave, Bereavement Leave, etc.) is not included in the calculation of overtime.
- Overtime must be approved by your immediate Supervisor. If you work overtime without permission, you may be subject to disciplinary action, up to and including termination of employment.

PAYROLL DISBURSEMENT

At the end of every pay period, the Payroll Department will process all applicable hours in order to compute your pay. You will receive your pay by way of a paycheck. The checks are mailed overnight (to be received on pay day) to the corresponding location for further disbursement to you.

PAYROLL DEDUCTIONS/GARNISHMENTS

Federal, state, and local laws require CEC to withhold taxes from your wages. The following are taxes being withheld.

- Federal income tax;
- Federal Insurance Contributions Act (Social Security and Medicare) payroll tax; and
- State and local payroll taxes, where applicable.

To confirm the proper amount of tax withholding, you must submit to the Payroll Department a completed W-4 Form indicating your marital status and number of exemptions. Other payroll deductions may include:

- **Garnishments** – CEC complies with all court orders to garnish your wages.
- **Health Benefits Plan Premiums** – If you are enrolled in the Employee Health Benefits Plan, you will have the appropriate premium for your benefits coverage deducted from your paychecks, either on a pre-tax or post-tax basis, in accordance with IRS regulations.

PAYROLL ERRORS

You are required to review every paycheck and paystub you receive in order to ensure that all information is correct including the pay rate, deductions, and the amount paid for the pay period. If an error is found, you must contact the Payroll Department as soon as the error is noticed. If you have received an overpayment, for time you did not work or for an incorrect rate of pay, you will be required to return the funds to CEC, where permissible by law.

Tipping

Tipping is not customary at Chuck E. Cheese's, and CEC discourages employees from soliciting and/or accepting tips. If any CEC employee does receive guest tips, it is the sole responsibility of the employee to accurately report such tips as taxable income (i.e., wages) to the extent required by applicable federal and/or state law (including any rules and/or regulations there under). Because CEC does not currently have the technology to include tips as wages in an employee's paycheck, CEC does not deduct taxes from tips received, and it is therefore your responsibility to satisfy any applicable tax obligation. Under no circumstances are any guest tips to be "pooled" and/or shared among two (2) or more CEC employees.

TIMEKEEPING & PAYROLL

Attendance

One of the basic indicators of your performance is regular attendance. You must be at work, on time, every day that you are scheduled to work, and remain at work for the full shift or work day. If you are unable to attend work or will be more than ten (10) minutes late, you must notify the Manager on Duty (MOD) as soon as practical.

ABSENCES

An absence is a failure to report to work that is not due to a scheduled vacation, holiday, sick leave, bereavement leave, jury/witness duty, or approved leave of absence. If you are unable to report to work, you must notify the MOD that you will be absent and provide an expected date of return.

Notification should be done as soon as you become aware that you will be absent but no later than two (2) hours before the start of your normal work shift, when possible. If the date of return is uncertain, you must call the MOD each day that you will be absent. If you are absent three (3) consecutive work days due to illness, you may be asked to provide a doctor's note verifying the illness.

Excessive absences and failure to report absences on time may lead to disciplinary action up to and including termination of employment.

TARDINESS

You are expected to arrive at your job location and be ready to start work at the beginning of your assigned work shift. Failure to do so is considered being late for work. You should also be ready to resume work on time after any authorized meal or rest break.

Tardiness will be considered excessive if CEC believes that you are frequently or unnecessarily late; or if you demonstrate a pattern of tardiness. Repeated or excessive tardiness may lead to disciplinary action up to and including termination of employment. Please remember: Your fellow employees depend on you to be at work on time!

Job Abandonment

In accordance with CEC's "Attendance" Policy, you have a responsibility to notify the Manager on Duty (MOD) when you are unable to report to work as well as your expected date of return. If the return date is unclear, you must call the MOD each day no later than two (2) hours before the start of the normal work shift.

You will be deemed to have voluntarily resigned your employment with CEC if you have two (2) consecutive "no call/no shows;" however, your General Manager, with the approval of Human Resources, shall have the discretion to continue your employment if you have a justifiable reason for the two (2) consecutive "no call/no shows" and your General Manager believes that your continued employment is in the best interest of CEC. If you are deemed to have voluntarily resigned due to two (2) consecutive "no call/no shows," then the effective date of such resignation shall be the date of the second "no call/no show".

Period of Inactivity

If you are not on an approved leave of absence, and have no hours worked, or vacation (paid or unpaid), sick time, or jury duty recorded within a twenty-one (21) day time period, you are considered to have voluntarily ended your employment. If you do not return to work prior to the first Wednesday following the twenty first (21) day of absence, your employment status will be updated in payroll to indicate a voluntary termination/resignation due to a period of inactivity/break in service.

If you are voluntarily terminated/resigned due to a period of inactivity/break in service, you are eligible to be rehired, subject to position availability.

TIMEKEEPING & PAYROLL

Employee Referral Program

As part of CEC's recruitment strategy, you will be rewarded for referring qualified candidates to positions in field management (Assistant Manager and higher), and all Support Center positions to include the Sales Center, when those candidates are hired and remain with CEC for a minimum period of time.

A candidate eligible for referral must meet the following requirements:

- Must be a new hire to the Company; or
- Must have been separated from CEC for a least one (1) year, if previously worked for CEC; and
- Must list your full name (as the referring employee) and location on his or her employment application whether submitted online or via paper application; and
- Must not currently be a temporary or contract employee; and
- Must be an individual that can legitimately be hired into the position and would not cause any conflict of interest or the appearance of a conflict of interest as outlined in CEC's "Relationships Among Employees & Employment of Relatives" Policy.

The amount of the referral bonuses will be determined and published annually. All referral bonus payments are subject to applicable federal, state, and/or local withholding taxes.

Timing of the payouts is based on the position as outlined in CEC's "Employee Referral" Policy. Both referring employee and referred candidate must be actively employed with CEC at the time of bonus payment.

Business Expense & Travel Reimbursement

CEC will reimburse you for expenses reasonably incurred for business purposes when they have been pre-approved. Business travel should be approved in advance by your District Manager.

It is your responsibility to ensure that your expenses and expense reporting is completed in a timely manner and complies with Company policy.

Please refer to the "Business Expense and Travel" policy, which can be obtained from the Accounts Payable Department. If you have any questions about what expenses will be reimbursed, please ask the Accounts Payable Department before incurring such expenses.

COMMUNICATION

Open Door Policy

You are encouraged to ask questions, make suggestions, and voice your opinions concerning your work duties and environment. You should direct comments to your Manager on Duty, General Manager, District Manager, or to the specific Support Center Department which handles the area about which you have questions, suggestions, or concerns.

If you have been subjected to or witnessed conduct that you believe may constitute any form of discrimination or harassment, you are required to report such conduct as described in the "Equal Employment Opportunity, Anti-Harassment, and Non-Discrimination" Policy section of this Handbook.

Bulletin Boards

CEC has bulletin boards in the restaurants for the purpose of communicating with its employees. Postings on these boards are limited to CEC-related materials including legal notices, safety and disciplinary rules, policies, and memos of general concern relating to CEC. All restaurant postings must be reviewed and approved by your General Manager.

Telephone / Cell Phone Usage

You are to answer company telephones with a welcoming and friendly voice! Telephones should be answered within three (3) rings using an appropriate greeting, and you should speak slow enough to be understood; the handling of a call should not be rushed.

Appropriate greetings include but are not limited to:

- "We're making magic here at Chuck E. Cheese's. My name is (your name); how may I help you?"
- "It's a great day to be here at Chuck E. Cheese's. My name is (your name); how may I help you?

PERSONAL TELEPHONE CALLS

Although we realize it is necessary from time to time to receive and place personal phone calls, personal calls are often disruptive and take your attention away from your work duties. You should make personal phone calls during meal periods, on rest breaks, or before or after your work shift. If you are on a personal phone call, you must end the call if you receive a business call or are needed by another employee for business purposes. Excessive personal phone calls may result in disciplinary action up to and including termination of employment.

PERSONAL CELL PHONES

Cell phones are often disruptive and take attention away from work duties. Therefore, you are prohibited from using personal cell phones while working unless absolutely necessary or otherwise authorized. Excessive calls or text messaging during work hours may result in disciplinary action up to and including termination of employment.

If you carry a personal cell phone while working you must adjust the cell phone's settings to mute the ring tone. Personal phone calls and text messaging should always be made during meal periods, rest breaks, or before or after your work shift, if possible. CEC is not responsible for any cell phones stored by employees on its premises.

COMMUNICATION

Systems, Equipment, & Services Usage

The internet, email, and office automation tools are intended for authorized business use only. In particular, CEC's email and internet system are not to be used to access, view, download, or forward any offensive or inappropriate material. Incidental and occasional personal use of the CEC email system is permitted provided that such personal use does not interfere or conflict with your duties or responsibilities, and does not violate any of CEC's policies particularly the "Equal Employment Opportunity, Anti-Harassment, and Non-Discrimination" Policy. See CEC's "Systems, Equipment, and Usage" Policy for full details on acceptable and non-acceptable uses.

Authorized CEC personnel have unrestricted access to information stored in our voice and email systems, as well as on CEC's automation hardware and software. CEC does not guarantee the privacy of documents and messages stored in CEC-owned files, desks, equipment, or electronic media.

Internet Blogging & Social Networking

All of CEC's policies apply to any posting or comment made by you on the internet in the same way that the policies apply to any other form of public comment. It is important to understand that images, posts or comments made on the internet (whether on yours or CEC's internet site, "blog" or on Facebook, Twitter, MySpace or any other social networking site) are public material, even if the site is "restricted".

Unless specifically instructed, employees are not authorized to speak on behalf of CEC. Employees are expected to protect the privacy of CEC and its employees and Guests and are prohibited from disclosing personal employee and non-employee information and any other proprietary and non-public information to which employees have access. Such information includes, but is not limited to, Guest information, trade secrets, financial information and strategic business plans. In addition, employees should not respond to any inaccurate or false information about CEC that is posted. Any such information that is found should be brought to the attention of the Marketing Department immediately. Nothing in this Policy is intended to prohibit employees from communicating in good faith about wages, hours, or other terms and conditions of their or their co-workers' employment.

Your participation in any online communication in reference to Chuck E. Cheese's or our industry should reflect open, honest, and ethical practices. CEC reserves the right at all times to monitor all public blogs and public social networking forums for the purpose of protecting its interests as well as those of its employees and ensuring compliance with this Policy. Disciplinary actions (up to and including termination of employment) may be taken by CEC for anything written, created, or presented on-line that is found to be insulting, obscene, discriminatory, harassment, or proprietary by any offended party; or anything compromising, insubordinate, or adverse to the Company's legitimate business interests.

SAFETY & SECURITY

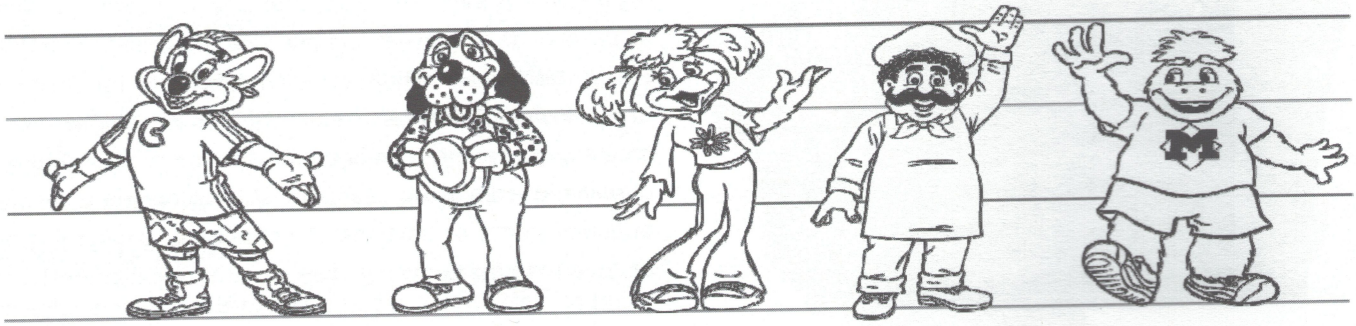
General Safety Guidelines

CEC is committed to fulfilling its obligations under all applicable federal, state, and local statutes and regulations governing the workplace. CEC strives to provide a safe and secure work environment for all employees. Our safety and security policies and programs are described in detail in the *Safety/Security Program and Crisis Response Manual*. A copy of the Manual is available for your review at all CEC locations. In addition, your Supervisor and/or Managers should ensure that you are properly trained in our safety and security procedures, that you consistently follow all safety rules, and that you use personal protective equipment as required.

You have a personal responsibility to prevent accidents. You will be expected to observe safe practice rules and instructions relating to the efficient handling of your work. Your responsibilities include, but are not limited to the following:

- Incorporate safety into every job procedure. No job is done efficiently unless it has been done safely;
- Know and obey safe practice rules. Read all monthly safety posters and warnings. Listen to instructions carefully;
- Know that disciplinary actions may result from a violation of the safety rules;
- Report all injuries immediately no matter how minor the injury may be;
- Caution fellow employees when they perform unsafe acts;
- Ask questions when there is any doubt concerning safety;
- Report all unsafe conditions or equipment to the Manager on Duty;
- Attend all CEC-sponsored training and safety meetings, and;
- Ask your Supervisor to explain any rules that you do not understand, and remember, we encourage safety suggestions.

You are required to follow and support the guidelines, policies, and procedures outlined in the CEC Safety and Security Manual. Failure to follow these guidelines (including improper use of safety equipment, improper lifting, engaging in horseplay, etc.) may result in disciplinary action up to and including termination of employment and/or the denial of Workers' Compensation benefits in the event of an injury.



SAFETY & SECURITY

On-the-Job Injuries

CEC strives to provide a safe work environment for all employees, and its safety policies and programs are intended to prevent injuries. You must follow the guidelines, policies, and procedures outlined in CEC's *Safety/Security Program and Crisis Response Manual*. CEC is committed to fulfilling its obligations under all federal, state, local, and Workers' Compensation statutes and provisions.

If you are injured on the job you must:

- Report all incidents and accidents immediately to your Supervisor, whether or not first aid or outside medical treatment is required. The Manager on Duty will report the incident to CEC's Accident/Injury external Administrator.
- Make every effort to schedule all medical visits and physical therapy around your work schedule;
- Keep all scheduled medical visits;
- Keep your immediate Supervisor advised of work status and provide a medical note after each medical visit which outlines your current prognosis, any medical restrictions that affect your ability to work safely, and if you are off work, your expected return to work date.

If you sustain an injury at work, it is your immediate Supervisor's responsibility to:

- **Immediately call 911 if the situation warrants emergency medical attention**;
- If the employee is a minor, contact parents promptly;
- Ensure that the list of medical providers is posted on the bulletin board in a commonly used area;
- Maintain contact with any employee who is unable to work on a regular basis;
- Maintain contact with your Workers' Compensation Administrator at the Support Center regarding lost time, missing or reduced hours.

Background Checks

CEC conducts background checks on all potential candidates for employment that are age eighteen (18) and over who give written consent to the background check. CEC may also conduct background checks for existing employees on an ongoing basis. No applicant required to undergo a background check can be hired/rehired or promoted prior to receiving the results from the third party vendor and/or Human Resources.

The type of background check conducted for an applicant may vary depending on the particular state in which the applicant lives, the information provided by the applicant, and the particular position for which the applicant is being considered. All inquiries will be conducted based on applicable state and local laws within the jurisdiction in which the applicant resides. Background checks may include, but are not limited to, obtaining information regarding an individual's: prior employment, local, state, and/or federal criminal history, character, general reputation, personal characteristics, personal and professional references, motor vehicle records and credit history.

A Human Resources representative will oversee this process and make the final decision regarding the results of a background screening. If a decision not to hire/rehire or promote a candidate is made based on the results of a background check, the Human Resources representative will follow the appropriate procedures under federal and applicable state law.

Although a disqualification is possible, in accordance with certain laws, a previous conviction does not automatically disqualify an applicant from consideration for employment or promotion with CEC. Depending on a variety of factors, the candidate may still be eligible for employment/ promotion with CEC.

Applicants that falsify information during the application process may be disqualified for employment.

SAFETY & SECURITY

EMPLOYEE'S OBLIGATION TO REPORT A CONVICTION

If you are convicted of a crime during your employment with CEC, you must report the conviction to your District Manager or Human Resources Manager unless prohibited by law or absent a court order to the contrary. Failure to do so is a violation of CEC Policy and subjects you to disciplinary action up to and including termination of employment.

Responsible Alcohol Service

CEC operates in compliance with all federal, state, and local laws concerning the service of alcohol, and the following actions are mandatory for all CEC employees:

- Alcohol should be served only by employees who are legally permitted to do so. The minimum age of employees who may serve alcohol varies by state. Any questions related to the minimum age for a particular state can be directed to your General Manager, the Manager on Duty, or your District Manager/Area Director.
- A birthday host/hostess may never serve alcohol to the party. Party Guests should be directed to the Order Counter to obtain alcohol.
- No alcohol will be served to any person under the legal age as dictated by law. Acceptable identification (including a photo and date of birth) should be requested for every individual purchasing alcohol.
- No alcohol will be served to visibly intoxicated individuals. CEC does not expect you to be skilled at determining whether a person is past the legal limit of intoxication; however, you are expected to exercise good judgment and are required to look for visible signs of intoxication when serving alcohol. If any person who attempts to purchase or consume alcohol exhibits behavior that is a visible sign of intoxication, service of alcohol to that person must be denied, and the person should be addressed by the Manager on Duty.
- You are not permitted under any circumstances to consume alcoholic beverages on CEC's premises, whether on or off duty, unless you are visiting the restaurant as a Guest during business hours.
- You are required to participate in the internal "Responsible Alcohol Service" training.
- Per liquor codes, additional training may be required for employees in certain cities, counties, or states. The store's General Manager or District Manager/Area Director will arrange the needed training.

Failure to follow any of the aforementioned procedures or a violation of the Company's policy regarding responsible service of alcohol may result in disciplinary action up to and including termination of employment. In addition, if you fail to comply with the law, you may incur criminal liabilities.

Inclement Weather

When severe weather conditions threaten normal travel, you should call your General Manager. Unless instructed otherwise, the CEC restaurant location will open as usual. CEC will comply with any applicable state laws regarding attendance at work or pay for inclement weather that are inconsistent with these policies.

If the restaurant is open, you will be expected to report to work. However, you must observe weather conditions in your area and decide whether it is unduly hazardous to come to work when weather or road conditions are severe. We do not expect anyone to take an unreasonable risk attempting to get to work. As you are provided an option to remain at home during inclement weather or bad road conditions, CEC will not be responsible for any personal injuries or property damage if you attempt to arrive at work. You should use your best judgment in deciding whether it is reasonable to attempt to get to work.

If you do not report to work due to weather conditions when the local CEC restaurant location is open, you will have the option to take either an unpaid day or an earned vacation day, if available. In addition, any such absence may be considered to be unexcused. In the event a CEC restaurant is closed, opens late, or closes early due to weather, you will be paid only for time worked.

SAFETY & SECURITY

Merchandise Safety

To ensure the safety of the children who visit our locations, CEC restricts the distribution of certain toys and games to younger children in accordance with federal, state, and/or local law. We carefully select a range of toys for children under three (3) and identify them as "For All Ages" (FAA) and keep them in specific bins which are labeled FAA., Children under three (3) years of age must not be given toys from outside the FAA bins.

If you are unsure of a child's age, you must ask the child's parent or responsible adult for the child's age before giving them a toy from outside the FAA bins. If you are unable to ask the child's parent or responsible adult, only a toy from the FAA bins may be given. If there are no remaining toys in the FAA bins, you are prohibited from giving a child under the age of three a toy from outside the FAA bins. If a child is with his or her parent or guardian and requests a toy from outside the FAA bin, it must be given directly to the parent or guardian.

Toys that are not designated FAA are prohibited from being placed into one of the designated FAA bins. CEC also distributes toys in bulk that may contain small balls, small parts, marbles or balloons. These toys must not be placed in the FAA bins, and, the display counter that contains these toys must have a warning cling clearly and conspicuously displayed. If you see a display counter without its required warning cling clearly displayed, you must notify your Supervisor immediately.

CEC requires you to immediately report any information regarding a person who has been injured by a toy or game obtained from, or provided by, CEC to the Manager on Duty. Ensure that you obtain as much information as possible concerning the alleged injury, the product involved and the person injured, including contact information. If you violate any of these rules, you may be subject to disciplinary action up to and including termination of employment.

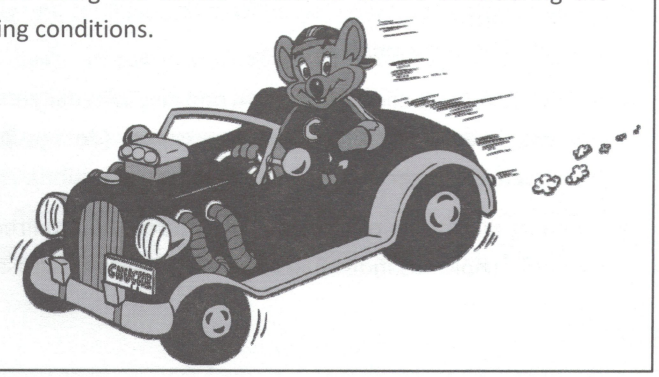
Use of Wireless Devices While Driving

CEC is committed to fulfilling its obligations under all applicable federal, state, and local statutes and regulations as it pertains to employee use of personal digital assistants (PDA's), cell phones or other electronic devices while driving. You are responsible for knowing the driving laws anywhere you drive, and you are required to abide by all federal, state, and local laws related to the use of such equipment while driving. This Policy applies when you are driving, and any of the following apply:

- you are driving for CEC business;
- you are using a CEC-issued electronic device; and/or
- you are using an electronic device for business purposes.

CEC strictly prohibits the use of cell phones, personal digital assistants (PDA's) or other electronic devices while driving a vehicle in states where this is prohibited. Whether or not prohibited by the applicable law, when you are driving, CEC prohibits reading or sending text messages or emails on company business or regarding any matter relating to company business. Safety must come before all other concerns. Thus, regardless of the circumstances, including during slow or stopped traffic or while on your own personal time, use of a cell phone, PDA, or other wireless communication device while driving is never required by the Company.

CEC recommends the use of hands-free devices while driving. Above all, you are <u>always</u> expected, while driving, to use your good judgment and should refrain from using electronic devices or discontinue use, even hands-free, if you believe using the device would be unsafe considering the driving conditions.



SAFETY & SECURITY

General Security

We have developed a Security Program to be followed by all Managers and Cast Members. Please refer to the Safety/ Security Program & Crisis Response Manual for the details of this program. You will review the program during your orientation. The following are security procedures that must always be followed to ensure your safety and the safety of your co-workers.

- No one is allowed to be in the restaurant alone. The closing manager will leave the building with at least one other person.
- Please park in the designated parking area. You must lock your vehicle and take care that valuables are not left on display as a temptation for a potential thief. CEC is not responsible for damage to or theft of your vehicle, or for any personal effects in your vehicle. If you are leaving the building after dark, ask someone to walk with you to your vehicle or watch you reach your vehicle safely. Always have your keys ready to allow quick entry into your vehicle. Immediately report any suspicious activity to the Police Department.
- If you find articles that Guests or employees have left behind (including money, travelers checks, and cell phones), take them immediately to the General Manager or Manager on Duty. Failure to turn in a lost item will lead to disciplinary action up to and including termination of employment.
- Do not bring your personal valuables to work. Normally, there is not a "secure" place for you to store your personal belongings. CEC is not responsible for the loss or theft of items that you bring to work.

CEC has adopted the following policies to deal with any violence that may occur on its premises:

- Call 911 if you believe you or anyone else is in danger or if you hear or see a violent commotion (do not put yourself in danger or in the middle of the situation).
- Report all threats of violence, both direct and indirect, or any suspicious individual or activity, as soon as possible to your General Manager or Manager on Duty, or if they are unavailable, to your District Manager/Area Director.
- Cooperate fully with security, law enforcement, and medical personnel that respond to a call for help or investigate any incident;
- If you are qualified, you may provide first-aid to injured persons.
- Advise the Manager on Duty if you receive inquiries from the media about violence on CEC's premises. You are not authorized to give any statement to the press or speak to anyone on behalf of the company.

INSPECTION OF PREMISES/PERSONAL BELONGINGS

CEC reserves the right to search work stations, computers, telephones, lockers, desks, CEC vehicles, lunch boxes, briefcases, bags, purses, coats, toolboxes, and other personal property of employees on CEC premises and their contents on reasonable suspicion for illegal drugs, alcohol, weapons, or stolen property, collectively referred to as "contraband".

CEC also reserves the right to conduct searches of these areas for evidence of other work-related misconduct. CEC will conduct searches only when there is a reason to suspect that employees have contraband in their possession or that an employee has been involved in a work-related misconduct. Any contraband found as a result of a search or that is in plain view may be confiscated.

"Reason to suspect" means facts that would lead a reasonable person to believe that contraband is located on the person or in the area to be searched.

When contraband is not in plain view, but there is reason to suspect that contraband is on CEC premises, CEC may conduct a search. You have no reasonable expectation of privacy, and may not withhold permission for CEC to search CEC-supplied containers or property, including offices, desks, lockers, toolboxes, and vehicles.

SAFETY & SECURITY

Controlled Substances & Drug / Alcohol Testing

CEC strictly prohibits the possession, use, sale, attempted sale, purchase, attempted purchase, conveyance, distribution, transfer, dispensation, cultivation, and/or manufacture of illegal drugs or other intoxicants at any time, and in any amount or manner – as well as the abuse/misuse of prescription drugs.

Employees who use legal drugs that may impair their ability to perform their job responsibilities safely are responsible for notifying their immediate Supervisor or the Human Resources Department so that steps can be taken to minimize the safety risks posed by such use. Employees may be asked to obtain a doctor's certification that the employee can safely perform the responsibilities of his or her position. Any information CEC may learn about an employee's health or medicines will be treated as confidential, and will be shared with CEC personnel only on a need-to-know basis.

CEC prohibits the abuse, misuse, or possession of alcohol while working, present on CEC's premises, or representing CEC at any time and in any way. CEC also prohibits the use of alcohol, or the possession of opened containers of alcohol, by employees operating Company-provided vehicles or any other vehicle while on Company business. Moreover, the use or abuse of alcohol off-the-job which could impair, to any extent, performance on-the-job, will be considered a violation of this Policy. CEC's executives may occasionally authorize alcoholic beverages at approved Company functions at designated sites. In those situations, an employee may consume a moderate amount of alcohol, provided that the employee's conduct and demeanor remain business-like and professional at all times; that the employee does not drive or otherwise engage in any activity which could be hazardous if the alcohol consumed impairs or affects the employee's ability to perform those activities; and that the employee does not engage in conduct which would reflect detrimentally on CEC.

Employees may be subject to drug and/or alcohol testing as a condition of continued employment as directed by CEC at its sole discretion. This includes, but is not limited to, drug and/or alcohol testing:

- on a for-cause basis;
- as part of a post-incident investigation;
- during and post-rehabilitation, including return-to-duty testing;
- prior to promotion;
- due to a reasonable suspicion; and/or
- as otherwise deemed necessary and appropriate by CEC.

All drug and/or alcohol testing will be conducted in accordance with applicable federal, state, and local laws.

When CEC has a reasonable belief that an employee is violating any aspect of this Policy, he or she may be asked to submit immediately to a search or inspection, unless otherwise prohibited by applicable state and/or local laws. Entry onto CEC's premises or work sites constitutes consent to searches and inspections. All searches will be conducted in accordance with applicable federal, state and local laws. Please see CEC's "Controlled Substances" Policy for details.

Employees in violation of CEC's "Controlled Substances" Policy will be subject to disciplinary action, even if it's the first offense. Violations include but are not limited to: an employee's refusal to submit to testing; failure to fully cooperate in the testing process; attempt to tamper with, substitute for, adulterate, dilute, or otherwise falsify a test sample; any other conduct which would intentionally prevent or compromise a valid test result; a confirmed positive alcohol test; and/or refusal to consent to a search or inspection when requested. Employees who have a confirmed positive drug test will have their employment with CEC terminated unless prohibited by state or local law. Adverse action taken in response to a violation of CEC's "Controlled Substances" Policy will always be in accordance with applicable state and local laws. In circumstances which warrant it, CEC will also notify law enforcement, and will fully cooperate with any resulting investigation and prosecution. An employee who believes that the results of a drug or alcohol test are inaccurate may appeal the results. Please refer to the appeals process outlined in CEC's "Controlled Substances" Policy.

SAFETY & SECURITY

Controlled Substances & Drug / Alcohol Testing (continued)

CEC strongly encourages employees who believe that they have a problem with alcohol or drugs, legal or illegal, to seek assistance *before* a violation of this Policy is found. For those employees who self-identify a substance-abuse problem to CEC, sources of help may be provided, and at CEC's sole discretion, the employee may be subject to continued employment. Sources of assistance may include referral for a medical assessment, counseling, and/or rehabilitation.

JOB APPLICANTS

All job applicants for Opening Coordinators positions and above who are over the age of eighteen (18) must take and pass a mandatory drug test no more than 48 hours after receiving CEC's conditional offer of employment and prior to the time they commence employment in the new role with CEC. This includes internal employees who are applying for positions at a higher level (promotions). All drug testing will be conducted in accordance with applicable federal, state, and local laws. A confirmed positive test will result in the withdrawal of the conditional offer of employment and/or termination of employment. A job applicant's refusal to submit to testing, failure to fully cooperate in the testing process, and/or attempt to tamper with, substitute for, adulterate, dilute, or otherwise falsify a test sample will be considered a withdrawal from the application process, and will result in denial of employment.

Weapon-Free Workplace

To ensure that CEC maintains a workplace safe and free of violence for all employees and Guests, the company prohibits the possession or use of perilous weapons on company property. In addition, you may not, at any time, while conducting company business or participating in a company event at a location other than the company premises (i.e., vendor locations, trade shows, event venues, etc.) unlawfully use or possess perilous weapons.

Possession of a weapon on Company property can be authorized only by the Senior Vice President of Human Resources or the Director of Risk Management, and only to allow security personnel or a trained employee to have a weapon on Company property when this possession is determined necessary to secure the safety and security of company employees or Guests.

If you are in violation of this Policy you will be subject to disciplinary action, up to and including termination of employment. All Company employees are subject to this provision, including contract and temporary employees, visitors, and Guests on company property.

DEFINITIONS

"Company property" is defined as all Company-owned or leased buildings and all Company-owned or leased vehicles whether on or off Company property.

"Perilous weapons" include, but are not limited to, firearms, explosives, knives, or other weapons that might be considered dangerous or that could cause harm. You are responsible for making sure that any item possessed by you adheres to applicable federal, state, and/or local laws and is not prohibited by this Policy.

SAFETY & SECURITY

Information & Network Security (Data Security)

CEC is bound not only morally, but legally, by federal and state laws, to protect certain sensitive/private information; therefore, data security is the responsibility of all employees. Your awareness and actions are required in four key focus areas.

- Protect CEC's Computer Network
  - ◊ Do not disable or bypass any of our firewalls, routers, or anti-virus software.
  - ◊ Do not connect any unauthorized wired or wireless devices to our network.
- Protect user ID's and Passwords
  - ◊ Do not share your password with anyone, including supervisors.
  - ◊ Do not choose an easily identifiable password. (Passwords should be a minimum of 7 characters containing letters, numbers, and special characters.)
- Protect Guests' Credit Card Information
  - ◊ Do not save or store any credit card information to a laptop, electronic device, or keep a paper copy.
  - ◊ Do not transmit or communicate any credit card information by any means or method (verbally, electronic mail, text messaging, and instant messaging).
  - ◊ Ensure any electronic record containing credit card information is permanently deleted. If record is in paper, it must be properly destroyed. (Do not just throw away)
- Report Security Breaches
  - ◊ Remain alert and be aware of suspicious or out-of-the-ordinary activity:
    - – Connecting *unfamiliar devices* (including cell phones, i-pods, laptops, etc.) to the network.
    - – *Social Engineering* (tricking people into revealing confidential information or doing something out of the ordinary; thus compromising security).
  - ◊ Report all suspected or confirmed security breaches immediately to your General Manager or Manager on Duty.

PERFORMANCE MANAGEMENT

Conduct & Disciplinary Guidelines

You are expected to conduct yourself in an appropriate manner consistent with an environment of respect and professionalism. Given the diversity of employees and situations at CEC, it is not possible to list all forms of behavior that are considered unacceptable or inappropriate. As such, the following conduct rules will be applied as standard performance guidelines that CEC employees must follow. These rules are not intended to be exhaustive. Please read them carefully and ask your Supervisor to clarify any questions you may have regarding the content.

Unacceptable and inappropriate employee conduct, including, but not limited to, the following acts, may result in disciplinary action up to and including termination of employment:

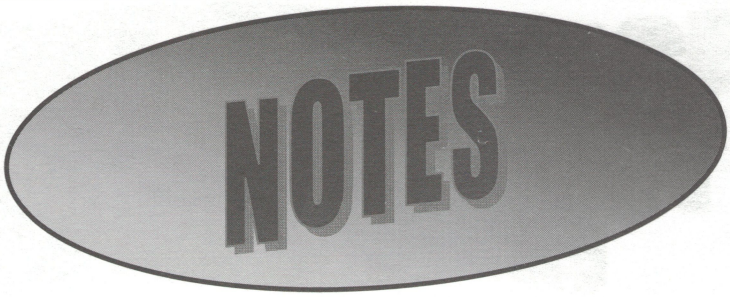
- Illegal or unlawful conduct or behavior;
- Failure to follow prescribed CEC policies and procedures, including policies related to conduct, ethics, time keeping, attendance, overtime, work schedules, breaks, security and cash handling (cash, tokens, merchandise, food, tickets, sales), and established health, fire and safety practices;
- Disrespectful or discourteous conduct (failing to give a high degree of courteous service to any employee, Guest, or vendor);
- Harassment, intimidation or coercion of employees or Guests including, without limitation, racial or sexual harassment and immoral, unlawful, or indecent conduct; or failing to report any such conduct;
- Dishonesty in any form, including misrepresentations to your supervisors or other employees;
- Refusing to obey direct instructions from your Supervisor or other forms of insubordination;
- Excessive personal use of the telephone or cell phone while on duty which includes texting or viewing any phone applications (i.e., web), unless authorized by management;
- Making or publishing false, vicious, or malicious statements concerning any employee, CEC, or its food, beverages, or services publicly, or within hearing distance and/or view of any other employee, Guest, or vendor;
- Aggressive or threatening behavior directed verbally or physically toward any employee, Guest or vendor;
- Interfering with or hindering of work schedules;
- Failure to protect CEC assets (i.e., failure to follow safety guidelines, maintaining confidential Company data, etc.);
- Physical violence and/or fighting on property, regardless of who started it;
- Acceptance of excessive gifts, entertainment, or other gratuities from firms or individuals who do business with or who seek to do business with CEC;
- Failure to maintain satisfactory attendance and report for a scheduled shift without proper notification to your Supervisor;
- Sleeping on the job;
- Failure to exhibit a neat and business-like appearance (in accordance with CEC's "Appearance Standards" Policy) and a high degree of personal cleanliness at all times;
- Performing job functions in a negligent, careless manner or not performing your job responsibilities as prescribed and directed;
- Unauthorized parking of motor vehicle in areas other than those designated by management;
- Unauthorized absence from assigned work area, being in an unauthorized area, or leaving a shift unsupervised when being the only Manager on Duty;
- Unauthorized dining or snacking at any time other than during designated breaks, meal periods, or in areas other than those designated by management;
- Unauthorized use of CEC's facilities, equipment (phone,

PERFORMANCE MANAGEMENT

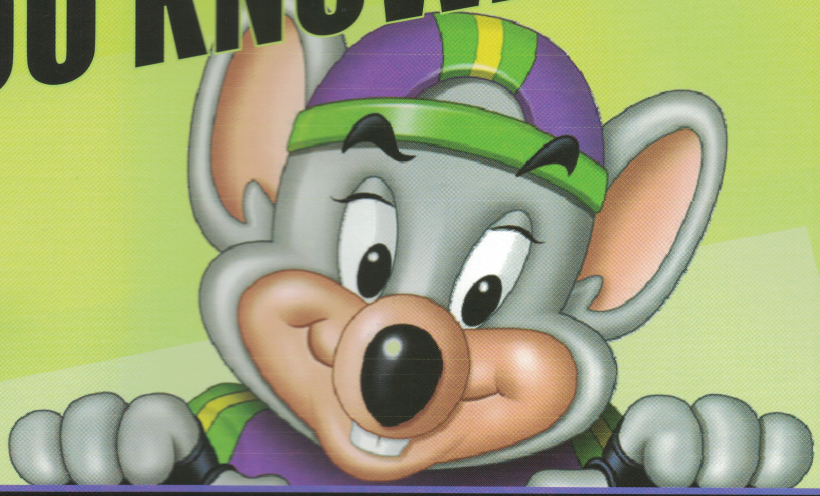
Conduct & Disciplinary Guidelines (continued)

fax, scan, computer, etc.) and resources for non-job related reasons;

- Failure to comply or cooperate with a Company or agency investigation including impeding, obstructing or interfering with the investigation process;
- Solicitation or unauthorized distribution of literature or products of any description in working areas; unauthorized posting or removing of CEC or Company-approved notices, signs, memoranda, and/or writing in any form on a bulletin board or other CEC property;
- Failure to report unsafe actions or violations of policies and procedures (including established health, fire and safety practices) that could result, or have resulted, in bodily injury to others or damage to CEC property or premises;
- Falsification, alteration, removal or destruction of CEC documents or records including but not limited to, payroll records, time records, employment applications, background check releases or reports, investigation statements and documents, personnel files, or another's private information;
- Failing to maintain the confidentiality of information obtained during your employment with CEC;
- Loitering on CEC's premises while off duty and/or contributing to the inefficiency of any employee who is working;
- Being on CEC premises with your lanyard on while off duty or while dressed in offensive or inappropriate attire (inappropriate attire would be defined as any clothing or accessories not suitable for viewing by CEC's target customers which are children ages two (2) to twelve (12);
- Theft, pilferage, misappropriation, misuse, or willful destruction of property owned by any employee, Guest, vendor, or CEC, or the unauthorized removal of such items, including any negligence in security and cash handling procedures for cash, tokens, merchandise, food, tickets, etc.;
- Undisclosed conviction of a felony or misdemeanor other than minor traffic offenses, or other falsification of information provided, during the application/background check process and any time during your employment with CEC, unless otherwise prohibited by state or local laws;
- Possessing a dangerous or deadly weapon on CEC premises or unlawfully possessing a dangerous or deadly weapon while off of CEC premises in the performance of CEC duties;
- Engaging in horseplay while at work or on CEC's premises;
- Allowing unauthorized individual(s) in the back of the house or on CEC premises during non-business hours including allowing employees to remain in store before or after work hours without management approval; or
- Using, being in possession of, selling, transferring, distributing or being under the influence of any controlled substance, intoxicants, drugs, alcohol, or hallucinatory agents on CEC property or reporting to work while using or being under the influence of any such substances.


NOTES

DID YOU KNOW...



1977 The first Chuck E. Cheese's Pizza Time Theatre opens in San Jose, California

1980 The first ShowBiz Pizza restaurant opens in Kansas City.

1984 Chuck E. Cheese's merges with ShowBiz to create ShowBiz Pizza Time Inc.

1985 Under new leadership, unprofitable units are closed, financial restructuring is undertaken, and new focus is placed on food quality, guest satisfaction and marketing

1986 Sales increase as restaurants are remodeled and a new marketing strategy begins.

1987 Sales and unit growth continue to increase

1989 ShowBiz Pizza Time becomes publically traded.

1992 Chuck E. Cheese's celebrates 28 consecutive quarters of real estate growth, with 45 new units since 1990!

1994 New president implements aggressive redesign, remodeling, and expansion strategy that keeps us growing today!

1997 Chuck E. Cheese's celebrates 20 years of success as the leader in family, food and entertainment industry!

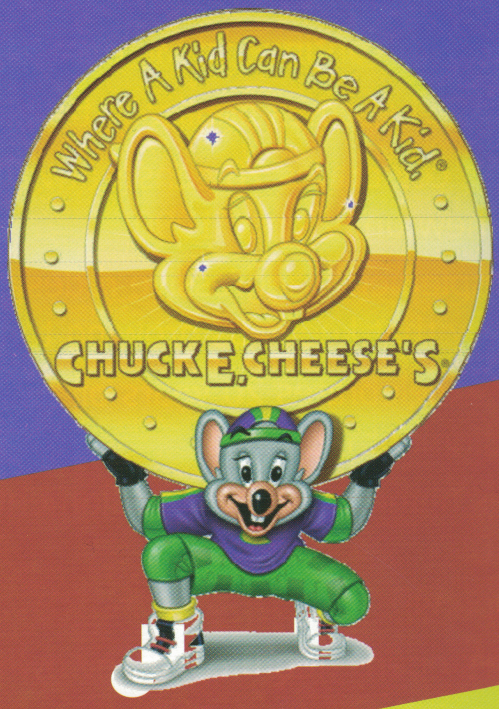
1998 ShowBiz changes name to CEC Entertainment, Inc. and moves from NASDAQ to NYSE.

2000 300th location opens!

2003 Chuck E. Cheese's opens 400th company owned location.

2007 Chuck E. Cheese's celebrates 30 years of success as the leader in family, food and entertainment industry.

2010 Chuck E. Cheese's 500th location opens!


Where A Kid Can Be A Kid®
CHUCK E. CHEESE'S